montana

COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended June 30, 1984

Prepared by

Department of Administration
Morris Brusett, CPA, Director

Accounting Division
Kathy Fabiano, CPA, Administrator
Kim Brady, CPA
Teresa Timm, CPA
David Clark-Snustad, CPA

Direct comments/inquiries to:
Department of Administration
Accounting Division
Room 255, Mitchell Building
Helena, MT 59620
(406) 444-3092

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DEPARTMENT OF ADMINISTRATION
DIRECTOR'S OFFICE

TED SCHWINDEN, GOVERNOR

MITCHELL BUILDING

STATE OF MONTANA

(406) 444-2032

HELENA, MONTANA 59620

December 1, 1984

THE HONORABLE TED SCHWINDEN
GOVERNOR OF THE STATE OF MONTANA

DEAR GOVERNOR SCHWINDEN:

In accordance with Section 17-2-110, Montana Codes Annotated, I hereby transmit the Comprehensive Annual Financial Report (CAFR) of the State of Montana for the fiscal year ended June 30, 1984. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation rests with the Department of Administration. We believe that the data as presented is accurate in all material respects, and fairly states the financial position and results of operations of the State of Montana.

While the economic outlook for the national economy remains uncertain, I am pleased to acknowledge that the financial condition of our State, as evidenced by the body of this report, is strong. The State ended the fiscal year with a $38.9 million General Fund balance.

Description of the CAFR

This report reflects reporting in conformity with generally accepted accounting principles (GAAP) as required by standards of governmental reporting established by the National Council on Governmental Accounting (NCGA) and the American Institute of Certified Public Accountants (AICPA).

This CAFR is divided into three sections: An introductory section, which contains an organization chart for the State and a table of contents; the financial section, which begins with the general purpose financial statements and provides an overview of the State's financial position and operating results, followed by combining statements by fund type and other schedules that provide additional detailed information relative to the general purpose financial statements; and the statistical section, which includes a number of statistical tables presenting various financial, economic and demographic data about the State.

Accounting System/Budgetary Control

Montana's Statewide Budgeting & Accounting System (SBAS) is a centrally maintained, fully computerized, double-entry accounting system. SBAS records are computer edited.

In developing and evaluating the State's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a

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control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgements by management.

Budgetary control is imposed via legislative and administrative appropriations. SBAS is designed to prevent spending in excess of legislative and administrative authority and/or available cash.

Auditor's Opinion

The financial statements contained in Montana's Comprehensive Annual Financial Report were audited this year for the first time by the Office of the Legislative Auditor. The Legislative Auditor is appointed by and reports to the Legislative Audit Committee. The audit was performed in accordance with generally accepted auditing standards.

The Legislative Auditor issued an unqualified opinion on the State's financial statements for 1984. All State agencies, and in particular the Accounting Division, can be extremely proud of this accomplishment, as this is only Montana's second year of reporting in compliance with generally accepted accounting principles.

Reporting Entity

The accompanying financial statements include all funds, account groups, agencies, boards and commissions that are controlled by or are dependent on the State's legislative, executive or judicial branches. Control by or dependence on the State is determined on the basis of the following criteria, as defined in NCGA Statement 3: selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters and scope of public service.

General Government Functions

Revenues for general governmental functions totaled $1,020.426 million in fiscal year 1984. Revenue by source is shown below:

Revenue Source	Amount ($000;s)	% of Total	Increase (Decrease) from 1983 ($000's)
Licenses & Permits	$ 51,156	5.01%	$ (2,244)
Taxes	478,975	46.94	77,080
Service Fees & Fines	27,899	2.73	17,603
Charges for Sales	2,298	.23	(3,655)
Investment Earnings	105,624	10.35	19,573
Reimbursements	11,826	1.16	(7,257)
Rentals, Leases & Royalties	1,350	.13	211
Fiduciary & Trust	271	.03	229
Grants & Gifts	1,924	.19	(5,314)
Federal	336,201	32.95	54,699
Miscellaneous	2,902	.28	1,195
Total	$ 1,020,426	100.00%	$ 152,120

Expenditures for general governmental purposes totaled $964.073 million in fiscal year 1984. Expenditures by function are shown below:

Expenditure Function	Amount ($000's)	% of Total	Increase (Decrease) from 1983 ($000's)
Current:			
General Government	$ 50,420	5.23%	$ (23,328)
Public Safety & Corrections	50,646	5.25	4,070
Transportation	213,698	22.17	51,807
Health & Social Services	270,033	28.01	21,678
Education & Cultural	213,977	22.20	10,058
Resource Development & Recreation	45,698	4.74	2,110
Economic Development & Assistance	76,198	7.90	41,831
Capital Outlay	30,159	3.13	4,458
Debt Service	13,244	1.37	2,266
Total	$ 964,073	100.00%	$ 114,950

General and special revenue fund balances at June 30, 1984 were as follows:

Fund Balance	General Fund	Special Revenue Funds
Reserved For:		
Encumbrances	$ 1,593	$ 5,318
Long-Term Assets	26	8,172
Inventories	2,218	15,527
Unreserved	35,097	205,305
Total	$ 38,934	$ 234,322

Debt Administration

State debt may be authorized either by a two-thirds vote of the members of each house of the Legislature or by a favorable vote of a majority of the State's electors voting thereon. There is no constitutional limit on the amount of debt that may be incurred by the State. The Montana Constitution does, however, prohibit the incurring of debt to cover deficits incurred because appropriations exceeded anticipated revenue.

Montana continues to receive excellent bond ratings from both Moody's Investors Service (Aa-1) and Standard & Poor's Corporation (AA), reflecting our record of solid financial management. Direct state debt increased from $133,047,360 at June 30, 1983, to $210,940,148 at June 30, 1984. On August 10, 1983 the State issued general obligation refunding bonds in the amount of $58,160,000 to refund the State's obligation with respect to certain bond issues already outstanding. This refunding issue is included in the June 30, 1984 total of $210,940,148.

The ratio of direct state debt to assessed valuation and the amount of net debt per capita are:

	Amount (in $000's)	Ratio of Debt to 1983 Assessed Value	Debt per Capita*
Direct State Debt	$210,940	1.34%	$258.19

*Based on 1983 Montana population.

Cash Management

The Treasury Bureau of the Department of Administration is the central bank for the State. Montana utilizes a central investing program. Unless otherwise provided by law, treasury cash is pooled regardless of the fund from which it is deposited. Nearly all monies available for investment are managed and invested by the Board of Investments. The Board reported total investment income from investments under their management of $185.9 million, an increase of 13.4% over the $163.9 million earned last year. The book value of Board managed investments rose $15.2% to $1,777.0 million from $1,542.0 million at year-end 1983. The Board annually publishes an audited report of all its investment activity. That report can be referenced for more in-depth portfolio information.

Acknowledgements

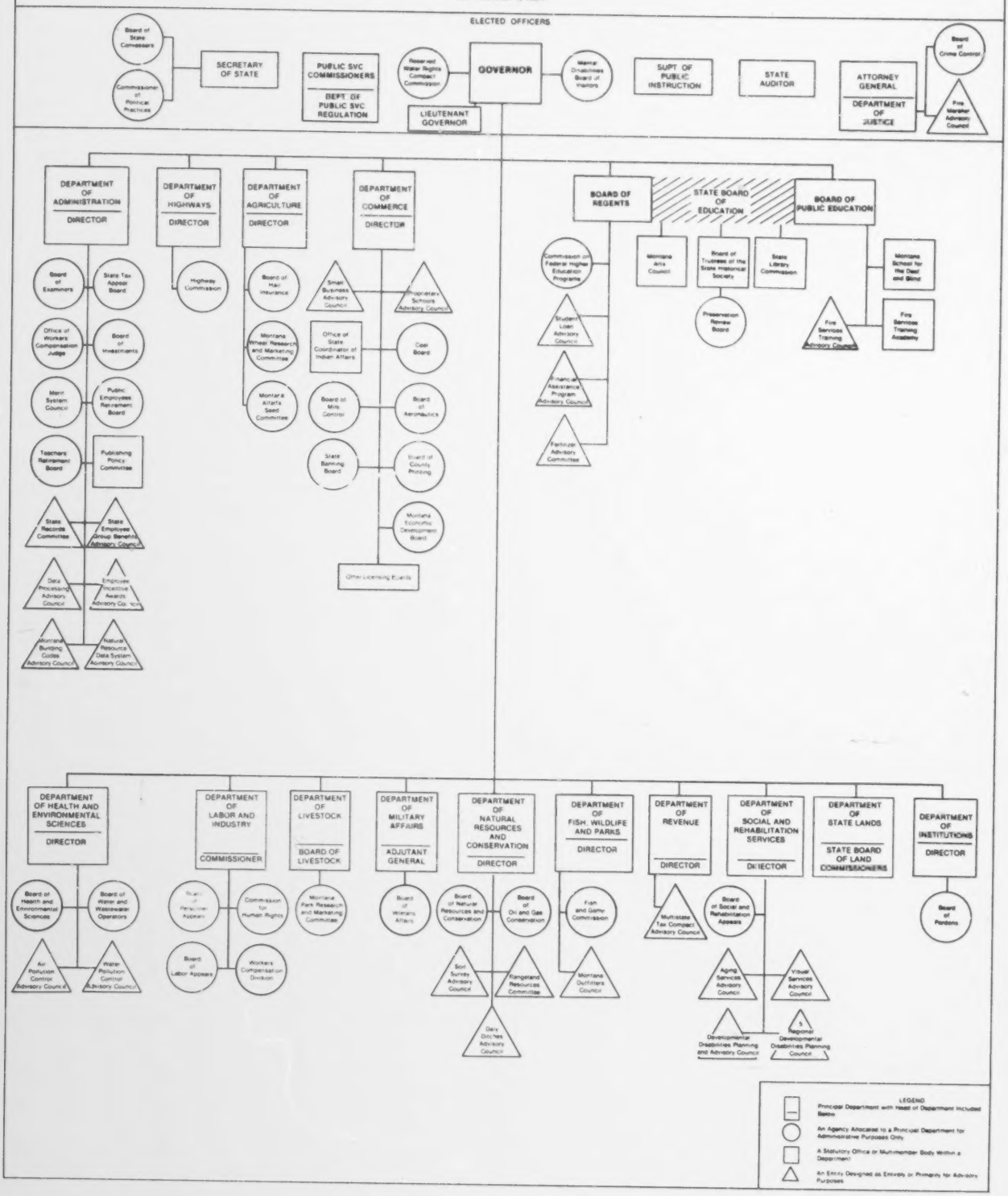
The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Accounting Division. I would like to express my sincere appreciation to the Accounting Division. I would also like to thank the Legislature and the Executive agenices for their interest and support in planning and conducting the financial operations of Montana in a professionally responsible and progressive manner.

Respectively submitted,

Morris L. Brusett, CPA
Director, Department of Administration

STATE OF MONTANA
ORGANIZATION OF THE EXECUTIVE BRANCH

SEPTEMBER 1, 1984


ELECTED OFFICERS
Board of State Canvassers
Commissioner of Political Practices
SECRETARY OF STATE
PUBLIC SVC COMMISSIONERS
DEPT OF PUBLIC SVC REGULATION
Reserved Water Rights Compact Commission
GOVERNOR
LIEUTENANT GOVERNOR
Mental Disabilities Board of Visitors
SUPT OF PUBLIC INSTRUCTION
STATE AUDITOR
ATTORNEY GENERAL
DEPARTMENT OF JUSTICE
Board of Crime Control
Fire Marshal Advisory Council
DEPARTMENT OF ADMINISTRATION
DIRECTOR
Board of Examiners
State Tax Appeal Board
Office of Workers' Compensation Judge
Board of Investments
Merit System Council
Public Employees Retirement Board
Teachers Retirement Board
Publishing Policy Committee
State Records Committee
State Employee Group Benefits Advisory Council
Data Processing Advisory Council
Employee Incentive Awards Advisory Council
Montana Building Codes Advisory Council
Natural Resource Data System Advisory Council
DEPARTMENT OF HIGHWAYS
DIRECTOR
Highway Commission
DEPARTMENT OF AGRICULTURE
DIRECTOR
Board of Hail Insurance
Montana Wheat Research and Marketing Committee
Montana Alfalfa Seed Committee
DEPARTMENT OF COMMERCE
DIRECTOR
Small Business Advisory Council
Proprietary Schools Advisory Council
Office of State Coordinator of Indian Affairs
Coal Board
Board of Milk Control
Board of Aeronautics
State Banking Board
Board of County Printing
Montana Economic Development Board
Other Licensing Boards
BOARD OF REGENTS
STATE BOARD OF EDUCATION
BOARD OF PUBLIC EDUCATION
Commission on Federal Higher Education Programs
Student Loan Advisory Council
Financial Assistance Program Advisory Council
Fertilizer Advisory Committee
Montana Arts Council
Board of Trustees of the State Historical Society
Preservation Review Board
State Library Commission
Fire Services Training Advisory Council
Montana School for the Deaf and Blind
Fire Services Training Academy
DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES
DIRECTOR
Board of Health and Environmental Sciences
Board of Water and Wastewater Operators
Air Pollution Control Advisory Council
Water Pollution Control Advisory Council
DEPARTMENT OF LABOR AND INDUSTRY
COMMISSIONER
Board of Personnel Appeals
Commission for Human Rights
Board of Labor Appeals
Workers Compensation Division
DEPARTMENT OF LIVESTOCK
BOARD OF LIVESTOCK
Montana Park Research and Marketing Committee
DEPARTMENT OF MILITARY AFFAIRS
ADJUTANT GENERAL
Board of Veterans Affairs
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
DIRECTOR
Board of Natural Resources and Conservation
Board of Oil and Gas Conservation
Soil Survey Advisory Council
Rangeland Resources Committee
Dairy Ditches Advisory Council
DEPARTMENT OF FISH, WILDLIFE AND PARKS
DIRECTOR
Fish and Game Commission
Montana Outfitters Council
DEPARTMENT OF REVENUE
DIRECTOR
Multistate Tax Compact Advisory Council
DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
DIRECTOR
Board of Social and Rehabilitation Appeals
Aging Services Advisory Council
Visual Services Advisory Council
Developmental Disabilities Planning and Advisory Council
5 Regional Developmental Disabilities Planning Council
DEPARTMENT OF STATE LANDS
STATE BOARD OF LAND COMMISSIONERS
DEPARTMENT OF INSTITUTIONS
DIRECTOR
Board of Pardons
LEGEND
Principal Department with Head of Department Included Below
An Agency Allocated to a Principal Department for Administrative Purposes Only
A Statutory Office or Multimember Body Within a Department
An Entity Designed as Entirely or Primarily for Advisory Purposes

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GENERAL PURPOSE FINANCIAL STATEMENTS

These basic financial statements provide a summary overview of the financial position of all funds and account groups and of the operating results of all funds. They also serve as an introduction to the more detailed statements that follow.

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STATE OF MONTANA

Office of the Legislative Auditor

STATE CAPITOL
HELENA, MONTANA 59620
406/444-3122

ROBERT R. RINGWOOD
LEGISLATIVE AUDITOR

DEPUTY LEGISLATIVE AUDITORS:

JAMES H. GILLETT
FINANCIAL/COMPLIANCE AUDITS

SCOTT A. SEACAT
PERFORMANCE AUDITS

STAFF LEGAL COUNSEL

JOHN W. NORTHEY

To The Legislative Audit Committee
of the Montana State Legislature:

We have examined the general purpose financial statements of the State of Montana as of and for the year ended June 30, 1984 as listed in the Table of Contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We did not examine the financial statements of the Montana Board of Housing which statements reflect total assets, liabilities, revenues, and expenses of 95 percent, 99 percent, 38 percent, and 41 percent, respectively, of the related Enterprise Fund Type. We did not audit the Montana Board of Investments which statements reflect total assets, liabilities, and revenues as follows:

Assets	Liabilities	Revenues	Fund
8%	6%	16%	General
27%	4%	8%	Special Revenue
42%		2%	Debt Service
95%	29%	52%	Capital Projects
15%		4%	Internal Service
88%	3%		Trust and Agency
		6%	Expendable Trust
		21%	Non expendable Trust
		43%	Pension
20%		1%	University—Current
17%		13%	—Fiduciary
2%		1%	—Plant

These statements were examined by other auditors whose reports thereon were furnished to us, and our opinion expressed herein insofar as it relates to the amounts included for the above mentioned units is based solely upon the reports of other auditors.

The State of Montana did not report financial activity for its Current, Fiduciary, and Plant funds of the units of Higher Education in the previous year's general purpose financial statements nor did it make all the adjustments for complete reporting under generally accepted accounting principles. Although appropriate adjustments have been made to fund balances as of the beginning of the year, it was not practicable to determine what adjustments would be necessary in the financial statements of the preceding year to restate the results of operations and changes in financial position in conformity with the accounting principles used in the current year.

In our opinion, based upon our examination and the reports of other auditors, the general purpose financial statements referred to in the Table of Contents present fairly the financial position of each of the fund types and account groups of the State of Montana at June 30, 1984 and the results of operations of such fund types and the changes in financial position of the proprietary fund types and similar trust funds for the year then ended, in conformity with generally accepted accounting principles.

Our examination was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining financial statements listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the State of Montana. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and in our opinion is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The other data included in this report have not been audited by us, and accordingly, we express no opinion on such data.

Sincerely,

James Gillett

James H. Gillett, CPA
Deputy Legislative Auditor

October 25, 1984

Approved by:

Robert R. Ringwood

Robert R. Ringwood
Legislative Auditor

STATE OF MONTANA
Combined Balance Sheet
All Fund Types and Account Groups
June 30, 1984
(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
ASSETS				
Cash and Cash Equivalents	$ 40,420	$ 136,187	$ 12,645	$ 26,584
Cash with Fiscal Agent	-	1,282	-	-
Receivables (Net)	15,756	15,091	1,621	2,018
Interentity Loans Receivable	510	27,117	-	200
Due from Other Funds	33,923	55,621	21,090	177
Due from Other Governments	18	42,194	-	622
Inventories	2,218	15,537	-	-
Advances to Investment Pool	-	28,453	1,075	17,128
Other Advances	-	-	-	-
Long-Term Notes and Loans Rec.	539	13,043	-	112
Investments	-	44,797	15,373	12,974
Deferred Gains & Losses	-	-	-	-
Restricted Assets	-	-	-	-
Land	-	-	-	-
Buildings and Improvements	-	-	-	-
Equipment	-	-	-	-
Other Fixed Assets	-	-	-	-
Construction in Progress	-	-	-	-
Accumulated Depreciation	-	-	-	-
Amt. Avail. Debt Service Fund	-	-	-	-
Resources to be Provided in Future Years	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	393	1,530	-	27
Total Assets	**$ 93,777**	**$ 380,852**	**$ 51,804**	**$ 59,842**
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts Payable and Accruals	$ 18,866	$ 40,250	$ 3,546	$ 1,706
Interentity Loans Payable	-	27,302	-	200
Due to Other Funds	19,835	50,710	13,656	508
Due to Other Governments	-	1,853	-	-
Current Notes and Bonds Payable	-	-	305	-
Other Payables	-	1,778	-	-
Installment Purchase/Lease Payable	-	-	-	-
Deferred Revenue	15,848	23,832	9,606	1,129
Long-Term Notes/Bonds Payable	-	-	-	-
Compensated Absence Accrual	-	-	-	-
Property Held in Trust	294	805	-	-
Allowance for Realized Gains(Losses)-	-	-	-	
Total Liabilities	**54,843**	**146,530**	**27,113**	**3,543**
Fund Equity:				
Invest. in Gen. Fixed Assets	-	-	-	-
Assets Held for Local Governments	-	-	-	-
Retained Earnings:				
Reserved for Bond Retirement	-	-	-	-
Reserved for Encumbrances	-	-	-	-
Unreserved	-	-	-	-
Fund Balances:				
Reserved For:				
Encumbrances	1,593	5,318	-	23
Inventories	2,218	15,527	-	-
Retirement System	-	-	-	-
Long-Term Assets	26	8,172	-	-
Debt Service	-	-	24,691	-
Federal Loans and Special Trusts	-	-	-	-
Unreserved	35,097	205,305	-	56,276
Total Fund Equity	**38,934**	**234,322**	**24,691**	**56,299**
Total Liabilities and Fund Equity	**$ 93,777**	**$ 380,852**	**$ 51,804**	**$ 59,842**

The notes to the financial statements are an integral part of this statement.

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS			TOTAL (MEMORANDUM ONLY) AS OF	
ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	HIGHER EDUCATION FUNDS	June 30, 1984	June 30, 1983 (unaudited)
$ 2,125	$ 8,691	$ 372,784	$ -	$ -	$ 31,573	$ 631,009	$ 644,936
-	3,133	-	-	-	1,638	6,053	1,700
7,557	674	104,362	-	-	16,577	163,656	104,622
-	40	237	-	-	2,665	30,769	28,352
948	4,089	44,790	-	-	6,617	167,255	109,875
-	-	323	-	-	3,553	46,710	39,722
7,617	1,142	7	-	-	4,722	31,243	31,376
5,391	1,226	302,007	-	-	14,641	369,921	197,528
-	-	-	-	-	-	-	153,899
337,341	129	2,519	-	-	-	353,683	252,281
83,762	3,318	1,241,023	-	-	162	1,401,409	1,165,365
-	-	28,031	-	-	-	28,031	-
49,417	-	-	-	-	-	49,417	37,043
-	925	49,459	34,856	-	8,361	93,601	91,883
2,126	1,003	342	140,732	-	197,043	341,246	310,479
996	56,369	78	47,910	-	73,655	179,008	128,723
-	1,468	-	929	-	26,051	28,448	26,094
-	329	-	8,371	-	12,652	21,352	58,948
(1,099)	(22,391)	(158)	-	-	-	(23,648)	(20,802)
-	-	-	-	24,691	-	24,691	23,524
-	-	-	-	211,008	-	211,008	108,800
-	1	-	-	-	58	59	-
63	19	18,277	-	-	1,559	21,868	21,990
$ 496,244	$ 60,165	$ 2,164,081	$ 232,798	$ 235,699	$ 401,527	$ 4,176,789	$ 3,516,338
$ 5,552	$ 1,853	$ 9,791	$ -	$ -	$ 14,042	$ 95,606	$ 106,541
133	469	-	-	-	2,665	30,769	28,339
2,248	1,632	62,291	-	-	16,375	167,255	109,875
-	-	28,056	-	-	56	29,965	20,743
-	-	-	-	-	78	383	340
-	138	561,702	-	-	214	563,832	495,594
-	12,199	-	-	343	-	12,542	-
976	11	3,228	-	-	2,449	57,079	44,183
439,994	-	-	-	212,268	36,898	689,160	494,764
405	1,351	67	-	23,088	11,356	36,267	-
-	118	52,713	-	-	2,353	56,283	45,278
-	-	(5,282)	-	-	-	(5,282)	-
449,308	17,771	712,566	-	235,699	86,486	1,733,859	1,345,657
-	-	-	232,798	-	271,408	504,206	470,001
-	-	-	-	-	846	846	-
26,694	-	-	-	-	-	26,694	19,434
13	578	-	-	-	-	591	920
20,229	41,816	-	-	-	-	62,045	57,209
-	-	72	-	-	1,896	8,902	11,386
-	-	-	-	-	-	17,745	17,217
-	-	836,475	-	-	-	836,475	728,510
-	-	-	-	-	-	8,198	4,508
-	-	-	-	-	-	24,691	23,524
-	-	536,782	-	-	12,894	549,676	487,465
-	-	78,186	-	-	27,997	402,861	350,507
46,936	42,394	1,451,515	232,798	-	315,041	2,442,930	2,170,681
$ 496,244	$ 60,165	$ 2,164,081	$ 232,798	$ 235,699	$ 401,527	$ 4,176,789	$ 3,516,338

STATE OF MONTANA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances
All Governmental Fund Types and Expendable Trust Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES				FIDUCIARY FUND TYPE	TOTAL (MEMORANDUM ONLY) FOR THE YEAR ENDED	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	EXPENDABLE TRUST	June 30, 1984	June, 30, 1983 (unaudited)
REVENUES:							
Licenses and Permits	$ 20,857	$ 30,299	$ -	$ -	$ -	$ 51,156	$ 53,401
Taxes:							
Gas, Oil and Coal Prod.	51,220	31,385	11,388	-	-	93,993	78,237
Individual Income	109,022	42,587	18,738	-	-	170,347	152,703
Corporate Income	20,550	11,317	3,532	-	-	35,399	36,207
Other	18,252	144,274	10,177	2,408	-	175,111	134,748
Service Fees and Fines	2,141	25,527	196	35	2,198	30,097	11,088
Investment Earnings	43,814	56,195	675	4,940	7,406	113,030	93,127
Reimbursements	10,580	1,246	-	-	-	11,826	19,083
Sale of Doc. Mdse. and Property	44	2,114	-	140	-	2,298	5,953
Rentals, Leases and Royalties	270	358	-	722	-	1,350	1,139
Fiduciary and Trust	-	271	-	-	93,893	94,164	104,383
Grants and Gifts	-	1,369	3	552	6	1,930	7,242
Federal	-	335,473	-	728	18,784	354,985	282,218
Miscellaneous	820	1,911	171	-	-	2,902	1,707
Total Revenues	**277,570**	**684,326**	**44,880**	**9,525**	**122,237**	**1,138,588**	**981,236**
EXPENDITURES:							
General Government	34,841	15,407	-	172		50,420	73,748
Public Safety & Corrections	32,878	17,768	-	-	-	50,646	46,576
Transportation	2,581	211,117	-	-	171	213,869	162,724
Health and Social Services	109,354	160,679	-	-	-	270,033	248,355
Education and Cultural	46,382	167,595	-	-	2	213,979	203,925
Resource Dev. and Recreation	11,586	34,112	-	-	-	45,698	43,588
Economic Development and Assist.	8,746	67,452	-	-	115,862	192,060	157,764
Debt Service - Principal	-	-	486	-	-	486	3,734
Debt Service - Interest & Fiscal Chgs	-	474	12,284	-	-	12,758	7,244
Capital Outlay	105	6,974	-	23,080	-	30,159	25,701
Total Expenditures	**246,473**	**681,578**	**12,770**	**23,252**	**116,035**	**1,080,108**	**973,359**
Excess of Revenues Over (Under) Expenditures	31,097	2,748	32,110	(13,727)	6,252	58,480	7,877
PRIOR YEAR ADJUSTMENTS	3,239	2,910	412	288	(531)	6,318	(11,253)
OTHER FINANCING SOURCES (USES):							
Bond Proceeds	-	36,379	5,318	39,330	-	81,027	63,300
Increase (Decrease) in Inventories	(162)	689	-	-	-	527	2,946
Net Operating Transfers	(54,977)	4,813	(35,829)	(393)	(5,020)	(91,406)	(57,227)
Total Other Financing Sources (Uses)	(55,139)	41,881	(30,511)	38,937	(5,020)	(9,852)	9,019
PRIOR YEAR TRANSFER ADJUSTMENTS	665	(1,769)	-	-	-	(1,104)	5,837
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	**(20,138)**	**45,770**	**2,011**	**25,498**	**701**	**53,842**	**11,480**
FUND BALANCES - JULY 1- As Previously Stated	63,193	191,172	23,524	30,754	77,387	386,030	378,617
PRIOR PERIOD ADJUSTMENTS (See Note 3)	(4,121)	(2,120)	(844)	47	41	(6,997)	(4,067)
FUND BALANCES - JULY 1 - As Restated	59,072	189,052	22,680	30,801	77,428	379,033	374,550
RESIDUAL EQUITY TRANSFERS	-	(500)	-	-	-	(500)	-
FUND BALANCES - JUNE 30	**$ 38,934**	**$ 234,322**	**$ 24,691**	**$ 56,299**	**$ 78,129**	**$ 432,375**	**$ 386,030**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances
All Propietary Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUNDTYPES		TOTAL (MEMORANDUM ONLY) FOR THE YEAR ENDED	
	ENTERPRISE	INTERNAL SERVICE	NONEXP. TRUST	PENSION TRUST	June 30, 1984	June 30, 1983 (unaudited)
OPERATING REVENUES:						
Taxes	$ 12,481	$ -	$ 48,090	$ -	$ 60,571	$ 59,837
Charges for Services	96,871	38,455	-	-	135,326	104,144
Investment Earnings	975	1,798	15,586	78,592	96,951	103,192
Contributions	-	-	-	104,530	104,530	99,201
Gifts	-	181	-	-	181	373
Other	187	-	10,244	49	10,480	10,959
Total Operating Revenues	**110,514**	**40,434**	**73,920**	**183,171**	**408,039**	**377,706**
OPERATING EXPENSES:						
Personal Services	4,794	12,765	-	652	18,211	17,200
Contractual Services	2,850	3,161	5	369	6,385	5,514
Supplies and Materials	29,874	6,550	-	24	36,448	37,408
Debt Service	33,087	-	-	-	33,087	23,660
Benefits	12,751	1,332	-	65,986	80,069	73,304
Communications	151	4,418	-	65	4,634	3,808
Depreciation	160	4,147	-	15	4,322	3,320
Repair and Maintenance	75	2,620	-	9	2,704	1,857
Utilities and Rent	973	1,760	-	34	2,767	3,198
Refunds	-	-	-	11,480	11,480	9,802
Investment Administration	-	-	-	256	256	-
Other	203	2,120	-	70	2,393	3,315
Total Operating Expenses	**84,918**	**38,873**	**5**	**78,960**	**202,756**	**182,386**
Operating Income (Loss)	25,596	1,561	73,915	104,211	205,283	195,320
PRIOR YEAR ADJUSTMENTS	373	215	39	(214)	413	1,954
NONOPERATING REVENUES (EXPENSES):						
Gain on Sale of Fixed Assets	2	270	-	-	272	20
Reduction in Value of Livestock	-	(404)	-	-	(404)	(435)
Miscellaneous	-	1,495	131	-	1,626	124
Investment Earnings	-	-	-	-	-	959
Sale of Property	-	-	176	-	176	207
Total Nonoperating Revenues (Expenses)	2	1,361	307	-	1,670	875
Income before Operating Transfers	25,971	3,137	74,261	103,997	207,366	198,149
NET OPERATING TRANSFERS	(16,302)	25	1,018	5,070	(10,189)	(21,176)
PRIOR YEAR TRANSFER ADJUSTMENTS	(2)	-	(102)	-	(104)	(4,676)
Net Income (Loss)	**9,667**	**3,162**	**75,177**	**109,067**	**197,073**	**172,297**
RETAINED EARNINGS/FUND BALANCES - JULY 1 - As Previously Stated	37,728	39,835	462,177	728,547	1,268,287	1,079,411
PRIOR PERIOD ADJUSTMENTS (See Note 3)	(459)	(1,103)	(15)	(1,073)	(2,650)	14,380
RETAINED EARNINGS/FUND BALANCES - JULY 1 - As Restated	37,269	38,732	462,162	727,474	1,265,637	1,093,791
RESIDUAL EQUITY TRANSFERS	-	500	(494)	-	6	2,199
RETAINED EARNINGS/FUND BALANCES - JUNE 30	**$ 46,936**	**$ 42,394**	**$ 536,845**	**$ 836,541**	**$ 1,462,716**	**$ 1,268,287**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combined Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Budget Basis)
General and Special Revenue Fund Types
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)
REVENUES:			
Licenses and Permits	$ 20,526	$ 20,857	$ 331
Taxes:			
Gas, Oil and Coal Production	50,876	51,281	405
Individual Income	104,478	108,639	4,161
Corporate Income	23,313	20,554	(2,759)
Alcoholic Beverages	17,454	18,057	603
Fuel	-	-	-
Miscellaneous	-	-	-
Service Fees and Fines	2,375	2,097	(278)
Investment Earnings	50,172	42,847	(7,325)
Reimbursements	10,015	10,300	285
Sale of Documents, Merchandise and Property	38	39	1
Rentals, Leases and Royalties	186	221	35
Fiduciary and Trust	-	-	-
Grants and Gifts	-	-	-
Federal	-	-	-
Miscellaneous	163	456	293
Total Revenues	**279,596**	**275,348**	**(4,248)**
EXPENDITURES:			
General Government	46,716	34,633	12,083
Public Safety and Corrections	34,733	32,797	1,936
Transportation	3,773	2,581	1,192
Health and Social Services	120,316	110,488	9,828
Education and Cultural	48,555	46,329	2,226
Resource Development and Recreation	11,923	11,447	476
Economic Development and Assistance	9,770	8,747	1,023
Debt Service-Interest & Fiscal Charges	-	-	-
Capital Outlay	102	102	-
Total Expenditures	**275,888**	**247,124**	**28,764**
Excess of Revenues Over (Under) Expenditures	3,708	28,224	24,516
PRIOR YEAR ADJUSTMENTS	(429)	(429)	-
OTHER FINANCING SOURCES (USES):			
Bond Proceeds	-	-	-
Net Operating Transfers	(102,189)	(56,305)	45,884
Total Other Financing Sources (Uses)	(102,189)	(56,305)	45,884
PRIOR YEAR TRANSFER ADJUSTMENTS	317	317	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	**(98,593)**	**(28,193)**	**70,400**
FUND BALANCES - JULY 1	45,000	45,000	-
FUND BALANCES - JUNE 30	**$ (53,593)**	**$ 16,807**	**$ 70,400**

The notes to the financial statements are an integral part of this statement.

SPECIAL REVENUE FUND TYPE			TOTAL (MEMORANDUM ONLY)		
BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)
$ 24,765	$ 25,153	$ 388	$ 45,291	$ 46,010	$ 719
33,387	31,368	(2,019)	84,263	82,649	(1,614)
40,812	42,437	1,625	145,290	151,076	5,786
12,515	11,320	(1,195)	35,828	31,874	(3,954)
-	-	-	17,454	18,057	603
149,996	138,258	(11,738)	149,996	138,258	(11,738)
2,276	2,517	241	2,276	2,517	241
7,514	7,150	(364)	9,889	9,247	(642)
45,462	46,729	1,267	95,634	89,576	(6,058
33,751	29,371	(4,380)	43,766	39,671	(4,095)
1,932	1,990	58	1,970	2,029	59
368	349	(19)	554	570	16
694	271	(423)	694	271	(423)
3,022	2,039	(983)	3,022	2,039	(983)
352,676	333,552	(19,124)	352,676	333,552	(19,124)
2,386	1,966	(420)	2,549	2,422	(127)
711,556	**674,470**	**(37,086)**	**991,152**	**949,818**	**(41,334)**
21,631	15,689	5,942	68,347	50,322	18,025
20,995	17,988	3,007	55,728	50,785	4,943
255,146	218,114	37,032	258,919	220,695	38,224
168,644	160,739	7,905	288,960	271,227	17,733
166,591	164,234	2,357	215,146	210,563	4,583
48,353	34,953	13,400	60,276	46,400	13,876
116,236	65,003	51,233	126,006	73,750	52,256
474	474	-	474	474	-
14,625	8,401	6,224	14,727	8,503	6,224
812,695	**685,595**	**127,100**	**1,088,583**	**932,719**	**155,864**
(101,139)	(11,125)	90,014	(97,431)	17,099	114,530
(2,431)	(2,431)	-	(2,860)	(2,860)	-
39,847	40,398	551	39,847	40,398	551
8,508	3,585	(4,923)	(93,681)	(52,720)	40,961
48,355	43,983	(4,372)	(53,834)	(12,322)	41,512
(1,656)	(1,656)	-	(1,339)	(1,339)	-
(56,871)	**28,771**	**85,642**	**(155,464)**	**578**	**156,042**
215,156	215,156	-	260,156	260,156	-
$ 158,285	**$ 243,927**	**$ 85,642**	**$ 104,692**	**$ 260,734**	**$ 156,042**

STATE OF MONTANA
Combined Statement of Changes in Financial Position
All Propietary Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTAL (MEMORANDUM ONLY) FOR THE YEAR ENDED	
	ENTERPRISE	INTERNAL SERVICE	NONEXP. TRUST	PENSION TRUST	June 30, 1984	June 30, 1983 (unaudited)
SOURCES OF WORKING CAPITAL:						
Operations:						
Net Income (Loss)	$ 9,667	$ 3,162	$ 75,177	$ 109,067	$ 197,073	$ 172,297
Items not Requiring Working Capital:						
Depreciation	160	4,147	-	15	4,322	3,320
Compensated Absence Accrual	405	1,349	-	67	1,821	-
Increase in Noncurrent Payables	-	647	-	-	647	-
Amortization of Net Loss on Securities Exchanged	-	-	-	2,391	2,391	3,651
Prior Period Adjustments (See Note 3)	(459)	(1,103)	(15)	(1,073)	(2,650)	14,380
Working Capital Provided by Operations	9,773	8,202	75,162	110,467	203,604	193,648
Sale of Long-Term Investments	-	-	58,467	126,102	184,569	149,064
Decrease in Long-Term Investments	2,695	8	-	-	2,703	-
Reduction in Value of Livestock	-	-	-	-	-	435
Disposal of Fixed Assets	8	729	-	1	738	770
Decrease in Noncurrent Receivables	7,315	63	120	-	7,498	5,132
Increase in Noncurrent Payables	114,997	2,301	-	-	117,298	85,344
Transfers from Other Funds	-	500	-	9	509	2,399
Total Sources of Working Capital	**134,788**	**11,803**	**133,749**	**236,579**	**516,919**	**436,792**
USES OF WORKING CAPITAL:						
Purchase of Long-Term Investments	22,134	3,327	128,593	219,860	373,914	317,419
Acquisition of Fixed Assets	25	6,269	-	145	6,439	6,651
Decrease in Noncurrent Payables	5,190	1,444	-	-	6,634	29,177
Purchase of Mortgage Loans	102,854	-	-	9	102,863	49,884
Transfers to Other Funds	-	-	494	-	494	200
Increase in Noncurrent Receivables	-	32	180	-	212	-
Payments of Issuance Costs	2,606	-	-	-	2,606	2,295
Total Uses of Working Capital	**132,809**	**11,072**	**129,267**	**220,014**	**493,162**	**405,626**
Net Increase (Decrease) in Working Capital	**$ 1,979**	**$ 731**	**$ 4,482**	**$ 16,565**	**$ 23,757**	**$ 31,166**
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:						
Cash and Cash Equivalents	$ (504)	$ 3,118	$ (2,746)	$ 841	$ 709	$ (3,338)
Receivables (Net)	2,787	3,298	603	(730)	5,959	15,409
Due from Other Funds	400	1,037	1,854	4,043	7,334	7,261
Due from Other Governments	-	1	-	-	1	-
Inventories	(1,286)	383	-	(1)	(904)	(2,179)
Advances to Investment Pool	(1,601)	(6,879)	3,415	12,733	7,668	9,237
Investments	-	-	-	-	-	297
Interentity Loans Receivable	-	-	-	-	-	(70)
Other Assets	-	17	-	-	17	12,670
Accounts Payable	1,480	(488)	-	(468)	524	(148)
Due to Other Funds	888	(230)	4,225	(32)	4,851	(7,074)
Due to Other Governments	-	-	-	-	-	(83)
Other Payables	-	(138)	-	-	(138)	5
Deferred Revenue	(52)	(2)	5	179	130	(593)
Property Held in Trust	-	(202)	(2,874)	-	(3,076)	(6)
Interentity Loans Payable	(133)	815	-	-	682	(222)
Net Increase (Decrease) in Working Capital	**$ 1,979**	**$ 731**	**$ 4,482**	**$ 16,565**	**$ 23,757**	**$ 31,166**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combined Balance Sheet
All Higher Education Funds
June 30, 1984
(Expressed in Thousands)

	CURRENT	FIDUCIARY	PLANT	TOTAL (MEMORANDUM ONLY) AS OF June 30, 1984	TOTAL (MEMORANDUM ONLY) AS OF June 30, 1983 (unaudited)
ASSETS					
Cash and Cash Equivalents	$ 16,724	$ 1,762	$ 13,087	$ 31,573	$ 33,035
Cash with Fiscal Agent	-	37	1,601	1,638	-
Receivables (Net)	2,087	14,176	314	16,577	15,817
Interentity Loans Receivable	2,645	6	14	2,665	5,245
Due from Other Funds	4,169	1,563	885	6,617	8,183
Due from Other Governments	3,511	42	-	3,553	113
Inventories	4,721	1	-	4,722	4,479
Advances to Investment Pool	6,645	3,049	4,947	14,641	11,763
Investments	-	-	162	162	1,055
Land	-	-	8,361	8,361	7,488
Buildings and Improvements	-	-	197,043	197,043	184,412
Equipment	-	-	73,655	73,655	44,455
Other Fixed Assets	-	-	26,051	26,051	23,472
Construction in Progress	-	-	12,652	12,652	29,358
Intangible Assets	-	-	58	58	-
Other Assets	513	6	1,040	1,559	1,015
Total Assets	**$ 41,015**	**$ 20,642**	**$ 339,870**	**$ 401,527**	**$ 369,890**
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts Payable & Accruals	$ 12,720	$ 926	$ 396	$ 14,042	$ 34,072
Interentity Loans Payable	2,527	88	50	2,665	5,233
Due to Other Funds	6,179	688	9,508	16,375	8,601
Due to Other Governments	25	31	-	56	26
Current Notes & Bonds Payable	-	-	78	78	-
Other Payables	4	74	136	214	509
Compensated Absence Accrual	11,356	-	-	11,356	-
Deferred Revenue	2,436	-	13	2,449	599
Long-Term Notes & Bonds Payable	-	-	36,898	36,898	30,634
Property Held in Trust	273	2,080	-	2,353	344
Total Liabilities	**35,520**	**3,887**	**47,079**	**86,486**	**80,018**
Fund Equity:					
Invest. in Gen. Fixed Assets	-	-	271,408	271,408	243,509
Assets Held for Local Governments	-	-	846	846	-
Fund Balances:					
Reserved For:					
Encumbrances	1,855	-	41	1,896	-
Fed. Loans & Spec. Trusts	36	12,858	-	12,894	14,999
Unreserved	3,604	3,897	20,496	27,997	31,364
Total Fund Equity	**5,495**	**16,755**	**292,791**	**315,041**	**289,872**
Total Liabilities and Fund Equity	**$ 41,015**	**$ 20,642**	**$ 339,870**	**$ 401,527**	**$ 369,890**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combined Statement of Revenues, Expenditures and Changes in Fund Equity
All Higher Education Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	CURRENT	FIDUCIARY	PLANT	TOTAL (Memo Only)
REVENUES AND OTHER ADDITIONS:				
Tuition and Fees	$ 30,190	$ -	$ 3,330	$ 33,520
State Appropriations	160	-	-	160
Local Appropriations	1,017	-	-	1,017
Federal Grants and Contracts	24,880	536	63	25,479
State Grants and Contracts	4,032	-	-	4,032
Local Grants and Contracts	335	-	10	345
Private Gifts, Grants, and Donations	4,913	145	691	5,749
Endowment Income	1,147	-	1,306	2,453
Sales/Services-Educational Activities	2,480	-	-	2,480
Sales/Services-Designated/Auxil. Enterprises	30,019	5	29	30,053
Interest Earnings	1,116	309	1,822	3,247
Indirect Costs Recovered	1,705	-	-	1,705
Recharged Service Collections	4,997	-	-	4,997
Acquisition of Fixed Assets	-	-	39,624	39,624
Retirement of Indebtedness	-	-	18,824	18,824
Other	2,025	34	765	2,824
Total Revenues and Other Additions	**109,016**	**1,029**	**66,464**	**176,509**
EXPENDITURES AND OTHER DEDUCTIONS:				
Instruction	70,766	-	61	70,827
Research	20,124	-	-	20,124
Public Service	5,875	-	-	5,875
Academic Support	13,612	-	-	13,612
Student Services	15,626	586	-	16,212
Institutional Support	21,924	-	-	21,924
Loan Cancellations/Write-Offs	-	174	-	174
Administrative and Collection Costs	31	103	-	134
Operation and Maintenance of Plant	14,935	-	-	14,935
Scholarships and Fellowships	13,677	2	-	13,679
Plant Fund	-	-	2,396	2,396
Auxiliary Enterprises	28,725	-	-	28,725
Debt Service	18	-	18,858	18,876
Capital Outlay	509	-	2,607	3,116
Disposal of Fixed Assets	-	-	5,681	5,681
Debt Incurred	-	-	13,041	13,041
Other	267	-	4	271
Total Expenditures and Other Deductions	**206,089**	**865**	**42,648**	**249,602**
PRIOR YEAR ADJUSTMENTS	(981)	1	573	(407)
TRANSFERS AND OTHER ADDITIONS (DEDUCTIONS):				
Mandatory Transfers	(1,941)	-	1,104	(837)
Nonmandatory Transfers	(3,449)	(7)	3,667	211
Transfers from State General Fund	86,684	-	-	86,684
Millage Transfers	13,898	-	-	13,898
Other Net Transfers	1,746	-	(107)	1,639
Total Transfers	96,938	(7)	4,664	101,595
Excess of Restricted Receipts Over Transfers to Revenue	253	-	-	253
Retirement of Debt	-	-	4,168	4,168
Bond Proceeds	-	-	12,745	12,745
Total Transfers and Other Additions (Deductions)	97,191	(7)	21,577	118,761
PRIOR YEAR TRANSFER ADJUSTMENTS	(450)	-	-	(450)
Net Increase (Decrease) in Fund Equity	**(1,313)**	**158**	**45,966**	**44,811**
FUND EQUITY - July 1 - As Previously Stated	12,262	19,566	258,044	289,872
PRIOR PERIOD ADJUSTMENTS (See Note 3)	(5,374)	(3,481)	(11,282)	(20,137)
FUND EQUITY - July 1 - As Restated	6,888	16,085	246,762	269,735
RESIDUAL EQUITY TRANSFERS	(80)	512	63	495
FUND EQUITY - June 30	**$ 5,495**	**$ 16,755**	**$ 292,791**	**$ 315,041**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA

NOTES TO THE FINANCIAL STATEMENTS

June 30, 1984

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity - For financial reporting purposes, in conformance with the National Council on Governmental Accounting (NCGA) pronouncement, "Defining the Governmental Reporting Entity-Statement 3", the State of Montana includes all funds, account groups, agencies, boards and commissions that are controlled by or dependent on the State's legislative, executive or judicial branches. Control by or dependence on the State was determined on the basis of the following criteria, as defined in NCGA Statement 3: selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters and scope of public service.

B. Basis of Presentation - Montana reports its financial activity in accordance with generally accepted accounting principles (GAAP) as prescribed by the National Council on Governmental Accounting, the American Institute of Certified Public Accountants, and the National Association of College and University Business Officers.

Montana's various funds are grouped in the financial statements in this report as follows:

GOVERNMENTAL FUNDS

General Fund - To account for all governmental financial resources except those required to be accounted for in another fund.

Special Revenue Funds - To account for the proceeds of specific revenue sources restricted to expenditure for specified purposes (other than expendable trusts or major capital projects).

Debt Service Funds - To account for resources accumulated for payment of general long-term debt principal and interest.

Capital Project Funds - To account for resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary or trust funds).

PROPRIETARY FUNDS

Enterprise Funds - To account for operations (a) financed and operated similar to private business enterprises, where the intent of the Legislature is that costs are to be financed or recovered primarily through user charges, or (b) where the Legislature has decided that periodic determination of revenue earned, expenses incurred, or net income is appropriate.

Internal Service Funds - To account for the financing of goods and services provided by one department or agency to other departments or agencies or to other governmental entities on a cost-reimbursement basis.

FIDUCIARY FUNDS

Trust and Agency Funds - To account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These include: (a) expendable trust funds, (b) nonexpendable trust funds, (c) pension trust funds and (d) agency funds.

ACCOUNT GROUPS

General Fixed Assets Account Group - To account for all fixed assets of the State, except those accounted for in the proprietary, nonexpendable trust, pension trust and plant funds.

General Long-Term Obligation Account Group - To account for all long-term obligations of the State, except those accounted for in proprietary, nonexpendable trust, pension trust and plant funds.

HIGHER EDUCATION (UNIVERSITY AND VOCATIONAL-TECHNICAL CENTER) FUNDS

Current Funds - To account for unrestricted funds over which the governing boards retain full control in achieving the institutions' purposes, and restricted funds which may be utilized only in accordance with external restrictions.

Fiduciary Funds - To account for resources available for loan to students, faculty and staff; endowment funds; and resources held by the institution as custodian or fiscal agent.

Plant Funds - To account for institutional property acquisition, renewal and replacement, debt service and investment.

Amounts in the "Total - Memorandum Only" columns in the preceeding financial statements represent a summation of the combined financial statement line-items of the fund types and account groups. These amounts are presented for analytical purposes only. The summation includes fund types and account groups that use different bases of accounting, both restricted and unrestricted amounts, interfund transactions that have not been eliminated, and the caption "Resources to be Provided in Future Years" which is not an asset in the usual sense. Consequently, amounts shown in the "Total - Memorandum Only" columns are not comparable to a consolidation and do not represent the total resources available or total revenues and expenditures/expenses of the State.

C. **Basis of Accounting** - The accounting and reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds and Expendable Trust Funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

All Proprietary, Pension Trust and Nonexpendable Trust Funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities associated with this activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

The modified accrual basis of accounting is followed in the governmental funds and expendable trust funds. In applying the modified accrual basis, revenues are recorded when they are received in cash, unless susceptible to accrual. Revenues susceptible to accrual are recorded as receivables when they are measurable and available to pay current period liabilities. Intergovernmental revenues received as reimbursements are recognized based upon the expenditures recorded. Intergovernmental revenues received but not earned are recorded as deferred revenues. Taxes on coal sales, gas and oil production, individual income and other self-assessed taxes are recognized as revenues, if available, when tax returns are filed since they normally are only measurable at that time. Based on historical analysis, a liability has been recognized for withholding taxes that have been collected but will not be refunded until fiscal year 1985.

Under the modified accrual basis of accounting, expenditures are recognized when the related liability is incurred with the following exceptions which are in accordance with generally accepted accounting principles:

1) principal and interest on long-term debt is reported when due;

2) prepayments are accounted for as expenditures in the period of acquisition; and

3) inventory items are considered expenditures when purchased.

Proprietary, Pension Trust, Nonexpendable Trust and Higher Education Funds are maintained and report on the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable; expenses are recognized in the period incurred, if measurable. Student tuition and fees are fully recognized in the fiscal year in which the related courses or activities are principally conducted. Proprietary funds' unbilled receivables are recognized as revenue.

D. **The State Budget Process** - Montana is a biennial budget state. The constitution requires that appropriations in the budget adopted by the Legislature shall not exceed available revenues. Expenditures may not legally exceed budgeted appropriations at the program level. In addition, the State Constitution prohibits borrowing to cover deficits incurred because appropriations exceeded anticipated revenue. Budgets are required by state law for the General, Special Revenue, Capital Projects, Enterprise and Internal Service Funds.

Agency budget requests are submitted to the Governor and the legislative fiscal analyst. The Governor, together with the budget director, reviews these requests, establishes priorities and balances the budget within currently authorized and anticipated revenues. A copy of the Governor's budget is submitted to the legislative fiscal analyst who then prepares recommendations. A comparison of those recommendations with the Governor's budget is submitted to the Legislature. Joint appropriations subcommittee hearings are held and an omnibus appropriation bill is reported out to the House and subsequently to the Senate. The Legislature generally enacts one bill making all appropriations for the next two fiscal years. Other appropriations are enacted by the Legislature, but only within the revenue available. Agencies must prepare and submit to the budget director operational plans showing the allocation of operating budgets by line item. The budget director may authorize transfers of funds between line items unless limited by the appropriation act.

Appropriations may not be increased by amendment in the General Fund. However, a department, institution or agency of the executive branch desiring authorization to make expenditures from the General Fund during the first fiscal year of the biennium

from appropriations for the second fiscal year of the biennium may apply for authorization from the Governor through the budget director. Additionally, the Governor may approve budget amendments for non-general fund monies not available for consideration by the Legislature and for emergencies. In the accompanying financial statements, reported budget amounts are as amended, if applicable. There were no recorded expenditures in excess of total authorized appropriations in the State's budgeted funds for the year.

Appropriations may be continued into the next fiscal year when authorized by the Legislature or the Governor's Office. Appropriations that are not continued are reverted after fiscal year-end. The reverted appropriations will remain available for one year to record proper prior year adjustments. After that time the appropriation authority lapses. Fund balances/retained earnings are not reserved for reverted appropriations.

Because capital projects fund authorizations are not made on an annual basis, capital projects fund activities are not presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis).

E. **Encumbrances** - Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded as expenditures and liabilities in order to reserve that portion of the applicable appropriation, is employed for budgetary control purposes. Encumbrances outstanding at year-end are reported as reservations of fund balance/retained earnings for subsequent year expenditures/expenses.

F. **Budget Basis** - The budget basis differs from GAAP for encumbrances outstanding at year-end, compensated absences, fixed assets and inventories purchased in proprietary funds, inventories purchased in higher education funds and certain loans from governmental funds. Actual amounts in the accompanying budgetary comparison statements are presented on the budgetary basis. A reconciliation of the differences between the budgetary basis and the GAAP basis is presented in Note 2.

G. **Cash and Cash Equivalents** - This classification includes bank accounts, imprest cash funds, cash in U.S. Treasury, cash with trustee banks, cash on hand at fiscal year-end and short-term investments. These investments are stated at cost, which at June 30, 1984 was approximately 95% of the market value. The majority of short-term investment earnings are credited to the State's General Fund.

H. **Receivables** - This classification, net of estimated uncollectibles, consists primarily of receivables for goods sold and services provided, short-term loans and notes, interest, dividends and income, withholding and inheritance taxes that are past due.

An allowance for uncollectible taxes is provided based upon historical analysis. The allowance for uncollectible taxes at June 30, 1984 was $2.3 million.

I. **Interfund Transactions** - During the course of normal operations, the State has numerous transactions between funds to finance operations, provide services, construct assets and service debt. To the extent that certain transactions between funds have not been paid or received as of June 30, 1984, interfund receivables and payables have been recorded. See Note 4 for a detailed listing of interfund loans.

J. **Inventories** - Inventories of materials and supplies are stated at lower of cost or market. The State allows agencies to use any generally accepted inventory pricing method, but specifies that the first-in, first-out method should be appropriate for most agencies.

Governmental and Expendable Trust Funds use the "purchase method", meaning inventory purchases are recorded as expenditures. At fiscal year-end significant amounts of inventory are shown as a reserve of fund balance, indicating they do not constitute "available spendable resources".

Proprietary, Pension Trust, Nonexpendable Trust and Higher Education funds report using the "consumption method", meaning inventories are expensed as used.

K. **Advances to Investment Pool** - The Montana Board of Investments operates two investment pools. One allows agencies with small amounts of excess cash to pool their resources for short-term investment purposes, resulting in greater investment earnings. At June 30, 1984 this pool's market value was 97% of book value. The other is a pool which purchases common stock of publicly held companies. This pool's book value at June 30, 1984 was 76% of market value. Montana statutes limit the types of stock that may be purchased.

L. **Investments** - This classification includes long-term investments stated at cost or amortized cost aggregating $1,401,409,000. At June 30, 1984 the market value of these investments was 87% of book value. Debt securities included in this classification are expected to be held to maturity and redeemed at face value. Premiums and discounts are amortized over the maturity of the investment using the straight-line method.

M. **Restricted Assets** - Funds set aside for payment of the Housing Authority's revenue bonds and 1% of the amount allocated to the housing programs are classified as restricted assets since their use is restricted by applicable bond resolutions. At June 30, 1984 the restricted assets met or exceeded the requirements contained in the trust indentures.

N. **Fixed Assets and Depreciation** - The State's general fixed assets are stated at cost and are not depreciated in the General Fixed Assets Account Group. When purchased, such assets are recorded as expenditures in the governmental type funds and Expendable Trust Funds. Fixed asset valuation is based on actual or estimated historical cost or, in the case of donations, fair market value at the time of receipt. Infrastructure general fixed assets, such as highways, bridges, curbs and gutters are not capitalized. Interest incurred during construction is also not capitalized.

Proprietary, Pension Trust and Nonexpendable Trust Fund fixed assets are accounted for within their respective funds. They are depreciated on a straight-line basis with estimated useful lives of 30-50 years for buildings, 20 years for improvements and 4-12 years for equipment.

Higher Education Units' fixed assets are accounted for in the Investment in Plant Fund and are not depreciated. Infrastructure plant fund assets may be capitalized.

O. **Deferred Revenue** - Deferred revenues are those where asset recognition criteria have been met but for which revenue recognition criteria (measurable and available) have not been met. State policy for most revenues defines "available" as being collected within 60 days after fiscal year end.

P. **Property Taxes** - Real property taxes are levied in October and are payable in two installments on November 30 and May 31. These taxes attach as an enforceable lien on property 3 years after the taxes become delinquent.

Personal property tax levies are set each August and notices are normally mailed the following March or April. Half of mobile home taxes are due in 30 days and the remaining half on September 30. Taxes on all other types of personal property are to be paid in full 30 days after receipt of the notice. Personal property taxes attach as an enforceable lien immediately upon becoming delinquent.

Property taxes are collected by each of Montana's 56 counties. The counties then submit the State's portion to the State Treasurer the following month. The majority of these taxes help fund the public school system and higher education.

Q. **Fund Balance Reserves** - Portions of fund equity are reported as "reserved" to indicate (1) amounts not appropriable for expenditure, such as equity represented by inventories, and (2) amounts legally segregrated for a specific future use, such as those pledged for debt service and retirement.

R. **Compensated Absences** - State employees earn vacation leave ranging from 15 to 24 days per year depending on the individual's years of service. Vacation leave may be accumulated to a total not to exceed two times the maximum number of days earned annually. Sick leave is earned at the rate of twelve days per year with no limit on accumulation. Upon retirement or termination an employee is paid for 100% of unused vacation leave and 25% of unused sick leave. As of June 30, 1984 the State's liability for unused vacation and sick leave for university and vocational-technical center employees was $11.4 million. The remaining agencies' leave liabilities at June 30, 1984 was $24.9 million. These liabilities are reported in the accompanying financial statements in compliance with NCGA Statement 4 concerning compensated absences.

2. BUDGETARY BASIS/GAAP BASIS RECONCILIATION

The accompanying Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) - General and Special Revenue Fund Types presents comparisons of the legally adopted budget with actual data on a budgetary basis. Adjustments necessary to convert excess of revenues and other sources over (under) expenditures and other uses from the budgetary basis to the GAAP basis shown on the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Funds follow:

EXCESS OF REVENUES AND OTHER SOURCES OVER(UNDER) EXPENDITURES AND OTHER USES (In $000's)

	General	Special Revenue	Total
Budgetary Basis	$ (28,193)	$ 28,771	$ 578
Encumbrance Adjustment (Note 1.E)	(668)	(3,318)	(3,986)
Nonbudgeted Activity	132	1,620	1,752
Accrue Interest Income	995	6,268	7,263
Reimbursement Receivable from Other Agencies for transfer to debt service fund	1,366	-	1,366
Establish Withholding Payable (Note 1.C)	4,909	1,917	6,826
Appropriated Loans Recorded as Budgeted Expenditures	-	3,689	3,689
Record Federal Receivables/Payables in accordance with NCGA, Statement 2.	-	3,130	3,130
Miscellaneous Adjustments	60	3,693	3,753
Record Medicaid Receipts as Revenue	1,261	-	1,261
GAAP Basis	$ (20,138)	$ 45,770	$ 25,632

3. PRIOR PERIOD ADJUSTMENTS

For the fiscal year ended June 30, 1984, the following accounting changes/correction of errors have resulted in beginning fund equity restatements to reflect the State's financial position according to generally accepted accounting principles (GAAP):

Increase (Decrease) - (In $000's)

FUND TYPE	A	B	C	D	E	F	TOTAL
General	$ 1,113	$ -	$ (4,909)	$ -	$ -	$ (325)	$ (4,121)
Special Revenue	139	-	(1,917)	-	-	(342)	(2,120)
Debt Service	-	-	(844)	-	-	-	(844)
Capital Projects	47	-	-	-	-	-	47
Enterprise	-	(433)	-	-	-	(26)	(459)
Internal Service	-	(1,206)	-	-	-	103	(1,103)
Expendable Trust	26	-	-	-	-	15	41
Nonexpendable Trust	-	-	-	-	-	(15)	(15)
Pension Trust	-	(65)	-	-	-	(1,008)	(1,073)
Current	66	(11,110)	-	2,510	(7)	3,167	(5,374)
Fiduciary	7	-	-	-	(3,522)	34	(3,481)
Plant (1)	25	-	-	53	-	(11,360)	(11,282)
TOTALS	$ 1,423	$ (12,814)	$ (7,670)	$ 2,563	$ (3,529)	$ (9,757)	$ (29,784)

A. Accrual of investment income not previously reported.

B. In accordance with NCGA Statement 4 and FASB 43, the accrual for compensated absences is being reported in the individual funds & account group for the first time.

C. A liability has been recognized for withholding taxes that have been collected but are expected to be refunded in the following fiscal year. This liability has not previously been shown.

D. The State has changed its method of reporting encumbrances to comply with generally accepted accounting principles. Previously, encumbrances outstanding at year-end were reported as expenses. In the accompanying financial statements, encumbrances are reported as a reservation of fund equity. This correction only affected the higher education funds. Encumbrance reporting was corrected for all other funds in the previous fiscal year.

E. Several universities had land grants recorded as an investment in addition to the land grant being reported in the Nonexpendable Trust Fund. This correction eliminates the doubling effect.

F. Miscellaneous restatements.

(1) Approximately $11 million of the miscellaneous plant fund restatement is attributable to the higher education units properly reporting their fixed assets and long-term debt issuances in the accounting records for the first time.

4. INTERFUND LOANS

Individual fund loan receivable and payable balances at June 30, 1984 are as follows (in $000's):

Fund	Interfund Loans Receivable	Interfund Loans Payable
General Fund	$ 510	$ -
Special Revenue Funds		
State Special Revenue	27,117	-
Federal Special Revenue	-	23,602
Other Special Revenue	-	3,700
Capital Projects Funds		
Long Range Building Program	200	-
Federal & Private Construction Grant	-	200
Enterprise Funds		
Health Facilities Authority	-	35
Beginning Farm Loans	-	98
Internal Service Funds		
Motor Pool	-	18
Prison Ranch	40	-
Prison Industries	-	351
Other Internal Service	-	100
Expendable Trust Funds		
Unemployment Insurance	237	-
Higher Education Current Funds		
Unrestricted	2,563	-
Designated	-	731
Auxiliary	82	90
Restricted	-	1,706
Higher Education Fiduciary Funds		
Student Loan	6	-
Agency	-	88
Higher Education Plant Funds		
Unexpended Plant	14	50
	$ 30,769	$ 30,769

5. STATE DEBT

General information - The State has no constitutional limit on its power to issue obligations or incur debt other than a proviso that no debt may be created to cover deficits incurred because appropriations exceeded anticipated revenue. The Board of Examiners, consisting of the Governor, Secretary of State and Attorney General, is authorized, pursuant to various enabling acts, to issue bonds and notes of the State.

Short-Term Debt

Pursuant to the Enabling Act, the Board of Examiners, upon recommendation of the Department of Administration, may issue notes in anticipation of the receipt of taxes and revenues as the legal demands on the treasury during any fiscal year render issuance of the notes necessary. No more than $50 million may be outstanding at any time. No notes may be issued to refund outstanding notes. The notes must be redeemed at the end of the fiscal year in which issued. The State did not issue any such notes during fiscal year 1984. However, $38 million of these notes were issued August 22, 1984 (Fiscal Year 1985) and are due June 28, 1985.

Long-Term Debt

The full faith, credit and taxing powers of the State are pledged for the payment of all general obligation debt. The revenue bonds and mortgage bonds are secured by a pledge of resources from the facilities to which they relate and by certain other revenues, fees and assets of the State and the various colleges and universities. Long-term debt of the State at June 30, 1984 is as follows:

General Obligation Debt	
Highway Building Complex Bonds. Issued $7,400,000, 4.10% to 6.10%, due in principal payments of $325,000 in 1985 to $600,000 in 1996.	$ 5,370,000
Series 6. Montana College of Mineral Sciences and Technology, Physical Ed. Building. Issued $2,275,000, 4.5% to 6.5%, due in principal payments of $45,000 in 1985 to $150,000 in 2008.	2,060,000
Series 1983 A. Issued $58,160,000, 8.875% to 9.5% due in principal payments of $850,000 in 1985 to $590,000 in 2010. (NOTE: Montana State University and Eastern Montana College will provide $5,200,000 and $1,330,000, respectively, to service their portion of this debt.)	58,160,000
Series 1983 B. Issued $39,330,000, 6% to 8.2% due in principal payments of $4,160,000 in 1985 to $195,000 in 1995.	39,330,000
Dept. of Social and Rehabilitation Services (SRS) Bldg. Chapter 242, 1974 Laws of Montana authorized a lease-purchase contract commencing Nov. 1, 1976, payable over a 20-year period at 9% interest.	1,321,118
Series 1983 C. Issued $1,300,000, 6% to 8.2% due in principal payments of $150,000 in 1985 to $225,000 in 1991.	1,300,000
Total General Obligation Debt	$ 107,541,118
Revenue Bonds	
Department of Highways Series 1983. Issued $64,000,000, 6.75% to 8.25%, due in principal payments of $11,075,000 in 1987 to $14,755,000 in 1991.	$ 64,000,000
Board of Regents Issues:	
Montana State University	13,160,000
University of Montana	14,524,000
Eastern Montana College	3,308,000
Northern Montana College	2,710,000
Western Montana College	1,158,000
Montana College of Mineral Sciences and Technology	1,052,000
Charlo Water Supply Bonds	2,500
Total Revenue Bonds	$ 99,914,500
Other Bonded Long-Term Debt	
Employment Security Division Building mortgage bonds. Issued $1,390,000, 8%, due in payments of $ 95,058 in 1985 to $15,690 in 1988.	$ 324,030
Department of Highways Bond Anticipation Notes. Issued $39,075,000, 7%, due in total in 1986.	39,075,000
Total Other Bonded Long-Term Debt	$ 39,399,030
TOTAL BONDED LONG-TERM DEBT	$ 246,854,648

Nonbonded Long-Term Debt	
University of Montana-mortages payable on various properties	$ 12,396
Montana State University-SID's owed to the City of Bozeman	59,405
Missoula Vocational Technical Center - computer and vending machines	217,699
Eastern Montana College-mortgages payable on various properties	696,783
Dept. of Natural Resources and Conservation-Federal Loans	
--Cooney Dam Rehabilitation	1,287,597
--Broadwater Hydroelectric	37,500
TOTAL NONBONDED LONG-TERM DEBT	$ 2,311,380
TOTAL LONG-TERM DEBT*	$ 249,166,028

* Excludes Board of Housing Revenue Bonds shown below.

Debt service requirements (principal and interest) for all bonded long-term debt is as follows:

Fiscal Year Ending June 30	Gen. Oblig. Debt	Revenue Bonds	Other Bonded LTD	Total Requirements
1985	$ 13,993,647	$ 8,502,269	$ 2,485,580	$ 24,981,496
1986	13,761,547	8,330,032	2,485,580	24,577,159
1987	13,946,137	18,926,344	35,083,024	67,955,505
1988	13,882,967	18,841,076	16,946	32,740,989
1989	13,926,719	18,835,477	-	32,762,196
1990	13,897,183	18,701,994	-	32,599,177
1991	13,871,383	18,764,990	-	32,636,373
1992	13,510,548	3,488,983	-	16,999,531
1993	13,088,184	3,502,356	-	16,590,540
1994	13,794,196	3,292,467	-	17,086,663
1995-2019	41,206,761	28,027,271	-	69,234,032
Total	$178,879,272	$149,213,259	$ 40,071,130	$ 368,163,661

A summary of changes in bonded long-term debt for the year ending June 30, 1984 follows:

	Balance July 1, 1983*	Issues	Redemptions	Balance June 30, 1984
General Obligation Debt	$ 59,316,550	$ 98,790,000	$ 50,565,432	$ 107,541,118
Revenue Bonds	114,169,000	12,745,000	26,999,500	99,914,500
Other Bonded LTD	447,360	39,075,000	123,330	39,399,030
Total	$173,932,910	$150,610,000	$ 77,688,262	$ 246,854,648

*General obligation debt totals have been changed from $57,940,000 (Fiscal Year 1983) to $59,316,550 to reflect the balance of the SRS contract of $1,376,550.

Board of Housing Revenue Bonds

The Montana Board of Housing (Housing Authority) is authorized to have an aggregate of $675 million of housing mortgage bonds outstanding. The bonds are payable from mortgage loan repayments and investment earnings. All bonds issued to date are secured by federally insured or guaranteed mortgages. Statutory provisions exist wherein the Governor may include in the

executive budget submitted to the Legislature the sum required to fund possible future deficiencies in required reserves, however, the Legislature is not legally required to appropriate such deficiencies. The board issued $115 million in bonds during fiscal year 1984. Bonds outstanding at June 30, 1984 were as follows:

Single-Family Mortgage Bonds	$ 425,228,081
Multi-Family Mortgage Bonds	14,766,331
Total	$ 439,994,412

— In an official statement dated August 24, 1984, the Montana Board of Housing offered bonds aggregating $75,002,290. The indenture authorizes bonds to be issued to finance mortgage loans for owner occupied, single family residences located in the State of Montana. All mortgage loans financed from the bond proceeds are insured and guaranteed by agencies of the federal government.

Refunding Bonds

— On August 10, 1983 the State issued general obligation refunding bonds in the amount of $58,160,000 to refund the State's obligation with respect to certain bond issues already outstanding. The proceeds of the refunding issues have been placed in an escrow account and invested in U.S. Treasury Obligations that, together with interest earned thereon, will be sufficient for future payment of principal and interest on the refunded issues. At June 30, 1984 the balance of the refunded issues was $57,490,000.

— On April 15, 1984 the Board of Regents of Higher Education issued revenue bonds in the amount of $9,000,000. These 'Series 1984 Bonds' were issued to refund certain obligations with respect to bond issues already outstanding and to provide funds to finance the construction of approximately 90 units of married student housing for Montana State University. The proceeds of the 'Series 1984 Bonds' plus additional funds from the University have been placed in an escrow account and invested in U.S. Treasury Obligations that, together with interest earned thereon, will be sufficient for future payment of principal and interest on the refunded issues. The balance of the refunded issues at June 30, 1984 was $11,069,000.

— On June 15, 1984 the Board of Regents of Higher Education issued revenue bonds in the amount of $3,745,000. These 'Series A 1984 Bonds' were issued to refund certain obligations with respect to bond issues already outstanding and to provide funds to renovate student recreation facilities for the University of Montana. The proceeds of the 'Series A 1984 Bonds' plus additional funds from the University have been placed in an escrow account and invested in U.S. Treasury Obligations that, together with interest earned thereon, will be sufficient for future payment of principal and interest on the refunded issues. The balance of the refunded issues at June 30, 1984 was $2,956,000.

Board of Regents (Subsequent Issuances)

— Bonds totalling $7,380,000 were issued September 1, 1984. The proceeds from these "Series A 1984" bonds, together with certain monies of the Board of Regents and Eastern Montana College (EMC), will provide funds for the construction, renovation, equipment and improvement of certain facilities at EMC and for refunding certain bond obligations already outstanding.

— Bonds totalling $4,980,000 were issued September 1, 1984. Proceeds from these "Series 1984" bonds, together with certain monies of the Board of Regents and the University of Montana (UofM), will provide funds for the construction, renovation, equipment and improvement of certain Auxiliary Enterprises Facilities at U of M and for refunding certain bond obligations already outstanding.

Coal Severance Tax Bonds

On August 1, 1984 the Montana Department of Natural Resources and Conservation issued Coal Severance Tax Bonds in the amount of $10,485,000. These '1984 Series A Bonds' were issued for the purpose of making loans to certain local government entities, political subdivisions and water users' associations within the State in order to finance various water development projects. The bonds are limited obligations of the State, payable solely from and secured by certain coal severance tax revenues and by the revenues of the water development projects financed with the proceeds of the Bonds.

Montana Health Facility Authority Bonds

Pursuant to the Montana Health Facility Authority Act, Section 2-15-1815 et. seq. and Title 90, Chapter 7, Parts 1, 2 and 3, MCA, variable rate revenue bonds in the aggregate amount of $23,500,000 were offered by the Authority on an official statement dated September 12, 1984. The Act presently authorizes the Authority to issue not in excess of $50 million of bonds for any two year period. These bonds were issued to provide funds to certain participating health institutions in the State of Montana for the purpose of financing, refinancing or reimbursing certain health institutions (usually financial institutions) for the costs of acquiring, constructing or installing "eligible health facilities". Loan participation agreements with participating health institutions provide the source of funds for the payment of the bonds.

Water Development Bonds

The State of Montana issued $900,000 of "General Obligation Water Development Bonds, Series 1984 A" on November 7, 1984. Proceeds of this issue will be used by the Montana Department of Natural Resources to make loans to private persons in the State for various water development projects.

6. PENSION PLANS AND DEFERRED COMPENSATION PLAN

Pension Plans

The State maintains nine pension systems. All the systems provide basic retirement benefits, including early retirement, disability, regular retirement, and death benefits. All systems, except the Volunteer Firefighters of Unincorporated Areas Retirement System, also provide for termination payments. The nine pension systems are:

1. Public Employees' Retirement System
2. Teachers' Retirement System
3. Judges' Retirement System
4. Highway Patrolmen's Retirement System
5. Sheriffs' Retirement System
6. Game Wardens' Retirement System
7. Municipal Police Officers' Retirement System
8. Volunteer Firefighters' of Unincorporated Areas Retirement System
9. Firefighters' Unified Retirement System

All the systems except Teachers' Retirement are administered by the Public Employees' Retirement Division.

The two largest and most significant pension plans are the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS).

Public Employees Retirement System

PERS, a mandatory system, provides pension services to employees of the State and participating political subdivisions. The system is funded on an "entry-age normal cost" basis. This method establishes a "normal cost" for each member, as well as an unfunded accrued liability. The annual normal cost is the level percentage of annual salary required to fund the benefits, assuming that percentage had been contributed since the member's entry into the system. To maintain the fund on an actuarially sound basis, the rate of contributions should fund the normal cost in addition to amortizing the unfunded liability over a period of 40 years.

PERS members are eligible for retirement benefits at age 60 with a minimum of 5 years of service. Early retirement, at an actuarially reduced benefit, may be taken at age 50 with 5 years of service. An employee with 30 years of service may retire at any age; with 25 years of service at an actuarially reduced benefit amount.

The system is funded by contributions from employees and employers. The contribution rates, based on gross wages, are 6% for employees and 6.417% for employers.

Actuarial valuations are performed every two years. The last completed valuation was for the period ended June 30, 1984. On that date, the unfunded liability was $281.9 million. The PERS balance sheet reports book value of assets as of June 30, 1984 of $431.672 million. The aggregate market value of securities was $292.9 million.

According to the actuarial assumptions employed, the consulting actuaries concluded that the current contribution rate of 12.417% is sufficient to meet currently accruing liabilities of the system and amortize the existing unfunded liability within a period of 36.58 years. Investment of available funds at 8% was assumed.

PERS had approximately 26,139 active members, 10,031 inactive members and 7,566 retired members as of June 30, 1984. Members become vested after five years of membership.

Teachers Retirement System

TRS is operated by the Teachers Retirement Division. It provides retirement services and membership is mandatory for all persons employed as teachers or professional staff of any public elementary or secondary school, vocational technical centers, or unit of the university system. Membership is also available to any person employed by the Superintendent of Public Instruction (where job duties pertain to instructional services) and any member of the instructional staff of various State custodial institutions. The TRS, as of June 30, 1984, had 15,207 active, 2,895 inactive, and 4,619 retired members. Members become vested after five years of membership.

As with PERS, the Teachers Retirement System utilizes the "entry-age normal" funding basis. Contributions are paid by employees (7.044% in 1984 and 1985) and employers (7.32% in 1984 and 1985) on gross salaries.

Actuarial valuations are performed every two years. The last valuation was for the period ended June 30, 1983. On that date, the unfunded liability was $519.3 million. The period required to fund currently maturing liabilities of the system and amortize the existing unfunded liability is

40.25 years at a recommended contribution rate of 14.364%. Investment of available funds at 7% is assumed. The book value of assets as of June 30, 1984 was $336.005 million. The aggregate market value of securities was $222.5 million.

TRS members are eligible for retirement at the same ages as PERS members with the requirement that the last 5 years of eligible employment be within Montana. The system has a mandatory retirement age of 70, with exceptions granted university staff by the Board of Regents.

The last reported disclosures for the two major pension systems were:

	PERS	TRS
Participating Employees (6-30-84)	36,170	22,721
Pension Plan Expense (6-30-84)	$ 726,843	$ 502,811
Employee Contributions (6-30-84)	$ 23,429,822	$ 25,058,940
Employer Contributions (6-30-84)	$ 24,350,825	$ 24,103,285
Actuarial Present Value of vested accumulated plan benefits:		
(6-30-84)	$ 545,139,836	$
(6-30-83)	$	$ 596,865,662
Actuarial present value of nonvested accumulated plan benefits:		
(6-30-84)	$ 21,342,987	$
(6-30-83)	$	$ 11,408,999
Net Assets available for benefits (6-30-84)	$ 431,106,000	$ 335,036,000
Unfunded liability:		
(6-30-84)	$ 281,932,440	$
(6-30-83)	$	$ 519,277,339
Assumed Rate of Return used by actuary	8%	7%
Assumed inflationary increase for future salaries	6.5%	5.5%

The unfunded liabilities in the other seven systems as of June 30, 1984 were:

Highway Patrol Retirement System	$ 10,791,410
Game Wardens Retirement System	3,475,610
Sheriffs Retirement System	1,415,825
Montana Judges' Retirement System	6,366,475
Municipal Police Retirement System	32,492,453
Volunteer Firefighters Retirement System(1)	-0-
Unified Firefighters Retirement System	46,892,278

(1) The Volunteer Firefighters Retirement System has no unfunded liability because it is required by law to be fully funded and cannot pay benefits unless money is available.

Deferred Compensation

Since 1976, the State of Montana has offered a deferred compensation plan which allows employees to defer state and federal income taxes on a portion of their salaries. All employees of the State are eligible to participate. The plan operates under the sanction of both state and federal laws.

Participants' rights created under the plan are equivalent to those of general creditors of the State and only in an amount equal to the fair market value of the deferred account maintained with respect to the participant, determined as if the deferred amounts had been invested pursuant to the participants' investment specifications. It is the opinion of the Department of Administration's legal counsel that the state has no liability for losses under this plan, but does have the duty of care which would be required of an ordinary prudent investor. As of June 30, 1984, the net assets of the plan available for benefits totalled $21,037,113.

7. FIXED ASSETS

Fixed asset balances as of June 30, 1984 and the changes since June 30, 1983 follow:

PROPRIETARY FUNDS	6-30-83 Balance	Additions	Reductions	6-30-84 Balance
Land	$ 924,923	$ -	$ -	$ 924,923
Bldgs. & Improvements	2,976,037	152,242	-	3,128,279
Equipment	44,801,343	14,236,889	1,673,468	57,364,764
Other Fixed Assets	1,781,406	-	313,451	1,467,955
Const. in Progress	294,756	359,580	325,251	329,085
Subtotal	$ 50,778,465	$ 14,748,711	$ 2,312,170	$ 63,215,006
Less Accumulated Depreciation				(23,490,433)
Total				$ 39,724,573
NONEXPENDABLE TRUST FUNDS				
Land	$ 49,398,756	$ -	$ -	$ 49,398,756
Total	$ 49,398,756	$ -	$ -	$ 49,398,756
PENSION TRUST FUNDS				
Land	$ 35,376	$ 25,000	$ -	$ 60,376
Bldgs. & Improvements	158,468	183,192	-	341,660
Equipment	79,826	3,286	4,723	78,371
Subtotal	$ 273,670	$ 211,478	$ 4,723	$ 480,407
Less Accumulated Depreciation				(158,187)
Total				$ 322,220
GENERAL FIXED ASSETS ACCOUNT GROUP*				
Land	$ 34,035,804	$ 1,177,284	$ 357,483	$ 34,855,605
Bldgs. & Improvements	122,931,989	18,881,473	1,081,620	140,731,842
Equipment	39,387,902	12,574,731	4,052,584	47,910,049
Other Fixed Assets	840,952	117,133	28,787	929,298
Constr. in Progress	29,295,595	2,551,554	23,476,346	8,370,803
Total	$226,492,242	$ 35,302,175	$ 28,996,820	$ 232,797,597

HIGHER EDUCATION FUNDS (IN $000's)*	6-30-83 Balance	Additions	Reductions	Prior Period Adjustments	6-30-84 Balance
Land	$ 7,488	$ 838	$ -	$ 35	$ 8,361
Bldgs. & Improvements	184,412	13,526	947	51	197,042
Equipment	44,456	12,690	4,730	21,239	73,655
Other Fixed Assets	23,472	580	4	2,003	26,051
Constr. in Progress	29,358	11,932	-	(28,637)	12,653
Total	$ 289,186	$ 39,566	$ 5,681	$ (5,309)	$ 317,762

*Montana does not include purchased and donated art collections held by the Montana Historical Society and the University of Montana on the balance sheet. For insurance purposes, the Historical Society collections have been valued at $29,994,569. University of Montana officials estimate that its collection is valued between one and ten million dollars.

8. CONTINGENCIES

The State is a defendant in numerous lawsuits involving tort claims which are either covered under the State's self-insurance plan or by private insurance. The State has a self-insurance plan whereby certain reserves are established in the budget for each fiscal year to provide for payment of liabilities which may be incurred. An actuarial report, dated September 28, 1984, estimating the adequacy of Montana's Comprehensive General Liability Self-Insurance Plan was prepared by the accounting firm of Coopers & Lybrand. The report estimates that the State has a reserve deficiency of $11.2 million. This estimate does not reflect investment income earned on reserves. The deficiency discounted to present value at an assumed interest rate of 10% would be approximately $7.5 million. The need for the reserve increase is due primarily to increased claim reportings and higher average claim costs. The State's liability for tort damages has been expanded to include noneconomic as well as economic damages, thus causing an additional increase in claim costs. With regard to the pending litigation, it is the opinion of the Attorney General and the Department of Administration counsel that pending litigation will not be finally determined so as to result individually or in the aggregate in a final judgment against the State which would materially affect its financial position. Any noncovered judgments are referred to the Legislature for consideration in establishing the next biennial budget.

The State is the principal defendant in several lawsuits challenging the imposition of state oil, gas and coal severance taxes on Indian reservations and related lands. In 1978 the Crow Tribe of Indians commenced a suit in federal district court for a declaratory judgment that the imposition of the Coal Severance Tax on coal beneficially owned by the Tribe is invalid. Although the district court dismissed the complaint, the Ninth Circuit Court of Appeals reversed the district court's decision in July 1981 and the State's petition for certiorari to the U.S. Supreme Court was denied on October 12, 1982. On November 19, 1982, the Crow Tribe amended its complaint to seek a refund with interest of all coal severance and gross proceeds taxes paid, an amount in excess of $90 million. On January 6, 1983, the district court granted the Crow Tribe's motion to escrow tax payments pending the outcome of litigation. The State considers that it has meritorious defenses to the claims and intends to vigorously defend the action. It further estimates that a trial and possible appeals will take several years. If the Tribe should prevail the State Legislature could, upon a three-fourths vote of the members of each house, appropriate funds from the coal severance tax trust fund to pay any judgment in favor of the Tribe. The State believes there will be sufficient funds in said trust fund to pay any such judgment.

The Blackfeet Tribe of Indians sued in 1978 for a declaratory judgment that all taxes on production of oil and gas beneficially owned by the Tribe are invalid. The federal district court dismissed the complaint and the Tribe appealed to the Ninth Circuit Court of Appeals. In December 1982, the court of appeals upheld the judgment of the district court. A rehearing was granted and heard before an eleven member panel in November 1983. The district court judgement was reversed. A petition for certiorari before the U.S. Supreme Court is pending. Various oil and gas producers have paid taxes amounting to approximately $5 million under protest during the pendency of the case. The State believes that it has meritorious defenses to the claims.

The Department of Revenue was the defendant in a lawsuit brought by two savings and loan associations protesting the inclusion of interest income from federal obligations in the determination of net income for purposes of the Montana corporation license tax. On September 23, 1982, the Montana Supreme Court reversed a district court ruling and held that the inclusion of interest on federal obligations is not permissible under federal statutes. The Department of Revenue's petition for certiorari with the U.S. Supreme Court was denied June 20, 1983. However, Senate Bill 335, passed by the 1983 Legislature, resolved the issue in favor of the State and made application retroactive. A major railroad has challenged the constitutionality of the legislation. The Montana Supreme Court will rule on the challenge this fall. The Department estimates that approximately $8.6 million is at issue. Of such amount $1.7 million would be from the State and $6.9 million would be from local government units.

The State receives federal grants and entitlements for specific purposes which are subject to review and audit by the grantor agencies. Any disallowances as a result of these audits would become a liability of the State. As of June 30, 1984, the State estimates that no material liabilities will result from such audits.

Gain Contingencies

Some natural resource and corporation tax assessments are not reported on the State's financial statements because they are being protested either administratively or in a court of law. As of June 20, 1984, the following assessments were outstanding:

Taxes	General Fund	Special Revenue	Debt Service	Nonexpendable Trust
Corporation	$ 15,748,618	$ 6,151,804	$ 2,706,794	$ -
Coal Severance	247,000	227,500	175,500	650,000
Oil Severance	24,032	12,016	-	-
Gas Severance	155,454	-	-	-
Metal Mines	62,167	-	-	-
Resource Indemnity	-	-	-	285,931
Total	$ 16,237,271	$ 6,391,320	$ 2,882,294	$ 935,931

In October 1984, a corporation tax case included above for $17,159,528 was settled and the State received $10,499,214. Collectibility of the remainder of these contingencies is dependant upon the decisions of the court or other authorities.

9. LEASES

The State has entered into various capital and operating leases for land, buildings and equipment. Lease contracts are required by law to contain a clause indicating continuation of the lease is subject to funding by the Legislature. It is expected that in the normal course of operations most of these leases will be replaced by similar leases.

Future minimum lease payments under the capital leases are as follows:

Fiscal Year Ending June 30	
1985	$ 2,451,617
1986	2,132,366
1987	1,980,587
1988	2,512,607
1989	1,894,007
After 1989	7,477,182
Total minimum lease payments	$ 18,448,366
Less interest	(5,577,267)
Present value of minimum lease payments	$ 12,871,099

Future rental payments for operating leases are as follows:

Fiscal Year Ending June 30	
1985	$ 2,092,156
1986	1,961,392
1987	1,343,983
1988	1,009,916
1989	705,792
After 1989	3,022,973
Total future rental payments	$ 10,136,212

10. SEGMENT INFORMATION

The State has two major enterprise operations - the Housing Authority and the Liquor Division of the Department of Revenue.

The Housing Authority provides financing to qualified individuals to purchase residential housing. In order to do so, the board issues bonds and carries federally insured mortgage notes.

The Liquor Division of the Department of Revenue administers the state liquor operations. In addition to selling liquor and wines, the division issues licenses and permits to wholesalers and retailers and collects taxes.

Selected financial information concerning these enterprises is as follows (in $000's):

	Housing/ Authority	Liquor Division
Operating Revenues	$ 41,952	$ 52,281
Depreciation	3	118
Net Operating Transfers	-	(16,302)
Operating Income (Loss)	6,801	15,918
Net Property, Plant & Equip. Additions	-	10
Net Working Capital	2,493	6,244
Total Assets	473,348	11,213
Bonds Payable From Operating Revenues	439,994	-
Total Equity	28,411	7,640

11. COMMITMENTS

The State has major long-term commitments under unperformed contracts. As of June 30, 1984, material commitments were related to projects for state highway and building construction in the following amounts:

Department of Highways contracts	$ 116,778,876
Department of Administration	
Architecture & Engineering Division contracts	$ 30,314,009

12. FUND DEFICITS

The following funds have a deficit fund equity as of June 30, 1984:

	FUND DEFICIT (In $000's)
Enterprise Fund Type	
- Historical Society Magazine Fund	$ (66)
- Health Facilities Authority Fund	(10)
- Beginning Farm Loans Fund	(58)
Internal Service Fund Type	
- Department of Commerce Director's Office	(2)
- Department of Commerce Central Services	(16)
- Liability Insurance Risk Retention	(39)
Expendable Trust Fund Type	
- Unemployment Insurance (See Note 13)	(1,063)
Higher Education Current Fund Type	
- Unrestricted Fund	(8,562)

13. UNEMPLOYMENT COMPENSATION

Unemployment compensation benefits are funded in the State through unemployment compensation taxes levied against employers. The moneys collected from this tax are deposited in the Unemployment Insurance Clearing Account and subsequently transferred daily to a trust fund in Washington, D.C., the trustee of which is the United States Secretary of the Treasury. The moneys are then transferred back to the State's Benefit Payment Account for disbursements as unemployment insurance benefits on the basis of a weekly request by the Montana Department of Labor and Industry.

If the State trust fund is insufficient to meet demands, the State may borrow from the Federal trust fund. As of June 30, 1984, the State had borrowed approximately $14.8 million from the Federal Unemployment Trust Fund. Subsequently, a repayment of $6.3 million was made leaving an outstanding loan balance of $8.5 million. Legislation was passed by the 1983 Legislature which allowed for payment of interest on the loan. An Advisory Council was formed to develop Legislation to address the deficit problem which will be presented to the 1985 Legislature.

14. NONEXPENDABLE TRUST INVESTMENT INCOME

Investments are recorded in the nonexpendable trust fund type on the full accrual basis. However, certain investment earnings attributable to these trusts are recorded elsewhere, as summarized below:

Nonexpendable Trust Funds	Reporting of Investment Earnings
Permanent Coal Tax Trust	Fifteen percent of investment earnings remain in the Permanent Coal Tax Trust as additional trust corpus. The remaining 85% of the investment earnings are reported in the General Fund.
Education Trust	Of investment earnings attributable to this trust, 77.5% goes to the Office of Public Instruction for public schools and vocational technical centers and the remaining 22.5% goes to the Board of Regents for higher education, both in the State Special Revenue Fund.
Resource Indemnity Tax Trust	Investment earnings are recorded in two separate accounting entities, both in the State Special Revenue Fund. The Department of Natural Resources utilizes a portion of these funds for (1) the operation, maintenance and rehabilitation of State-owned water projects; and (2) administering the water development program. The Judiciary receives a portion of these funds for the adjudication of water rights. The remainder of these funds are utilized by the Forestry, Reclamation and Lands Division of the Department of State Lands for natural resources related projects.
Parks, Cultural and Aesthetic Projects	Investment earnings are distributed two-thirds to the Department of Fish, Wildlife and Parks and one-third to the Montana Arts Council, both in the State Special Revenue Fund.

15. SCHOOL FOUNDATION PROGRAM

Montana's primary plan for school funding is known as the "foundation program." Three primary sources finance the foundation program -- a mandatory county property tax levy of 28 mills for elementary and 17 mills for high school districts, state equalization aid and a General Fund appropriation, if necessary. Only the state equalization aid and General Fund appropriation are reflected in the accompanying financial statements. For fiscal year 1984, county collections from the mandatory property tax levies totalled approximately $100 million.

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COMBINING FINANCIAL STATEMENTS

These basic financial statements provide the financial position and results of operations, by fund, for each fund type.

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GENERAL FUND

The General Fund is used to account for all governmental financial resources except those required to be accounted for in another fund.

STATE OF MONTANA
Balance Sheet
General Fund
June 30, 1984
(Expressed in Thousands)

ASSETS	June 30, 1984	June 30, 1983 (unaudited)
Cash and Cash Equivalents	$ 40,420	$ 66,549
Receivables (Net)	15,756	19,865
Interentity Loans Receivable	510	1,047
Due from Other Funds	33,923	11,570
Due from Other Governments	18	16
Inventories	2,218	2,380
Long Term Notes & Loans Receivable	539	-
Other Assets	393	297
Total Assets	**$ 93,777**	**$ 101,724**
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts Payable and Accruals	$ 18,866	$ 12,927
Due to Other Funds	19,835	7,049
Due to Other Governments	-	1,565
Current Notes and Bonds Payable	-	50
Deferred Revenue	15,848	16,922
Property Held in Trust	294	18
Total Liabilities	**54,843**	**38,531**
Fund Equity:		
Reserved For:		
Encumbrances	1,593	2,261
Inventories	2,218	2,380
Long-Term Assets	26	-
Unreserved	35,097	58,552
Total Fund Equity	**38,934**	**63,193**
Total Liabilities and Fund Equity	**$ 93,777**	**$ 101,724**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	FOR THE YEAR ENDED	
	June 30, 1984	June 30, 1983 (unaudited)
REVENUES:		
Licenses and Permits	$ 20,857	$ 19,426
Taxes:		
Gas, Oil and Coal Prod.	51,220	63,087
Individual Income	109,022	97,730
Corporate Income	20,550	20,974
Other	18,252	23,341
Service Fees and Fines	2,141	2,633
Investment Earnings	43,814	50,167
Reimbursements	10,580	12,673
Sale of Doc. Mdse. and Property	44	4,591
Rentals, Leases and Royalties	270	116
Grants and Gifts	-	1
Miscellaneous	820	387
Total Revenues	**277,570**	**295,126**
EXPENDITURES:		
General Government	34,841	53,317
Public Safety & Corrections	32,878	31,059
Transportation	2,581	1,413
Health and Social Services	109,354	103,603
Education and Cultural	46,382	44,772
Resource Dev. and Recreation	11,586	9,791
Economic Development and Assist.	8,746	2,816
Debt Service - Interest	-	1,338
Capital Outlay	105	233
Total Expenditures	**246,473**	**248,342**
Excess of Revenues Over (Under) Expenditures	31,097	46,784
PRIOR YEAR ADJUSTMENTS	3,239	6,794
OTHER FINANCING SOURCES (USES):		
Increase (Decrease) in Inventories	(162)	1,122
Net Operating Transfers	(54,977)	(61,034)
Total Other Financing Sources (Uses)	(55,139)	(59,912)
PRIOR YEAR TRANSFER ADJUSTMENT	665	32,143
Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses	**(20,138)**	**25,809**
FUND BALANCE - JULY 1- As Previously Stated	63,193	34,336
PRIOR PERIOD ADJUSTMENTS (See Note 3)	(4,121)	3,048
FUND BALANCE - JULY 1 - As Restated	59,072	37,384
FUND BALANCE - JUNE 30	**$ 38,934**	**$ 63,193**

The notes to the financial statements are an integral part of this statement.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes.

DESCRIPTION OF SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 1984

State Special Revenue Fund - This fund accounts for money from State sources that is earmarked for the purpose of defraying particular costs of an agency, program or function.

Federal Special Revenue Fund - This fund accounts for money from federal sources that is used for the operation of State government.

Other Special Revenue Funds - There are five funds included in this group:

Revolving - This fund accounts for resources used to defray reimbursable expenditures.

Private Donations - This fund accounts for private donations that are used for the operation of State government.

Interest and Income - This fund accounts for the interest and income from lands granted to State institutions.

Insurance Reimbursements - This fund accounts for insurance proceeds from damage to State property. Proceeds are used to repair or replace the damaged property or are transferred to the fund from which insurance premiums are paid.

Assessments - This fund accounts for resources received from miscellaneous assessments charged to private individuals and businesses. The resources were primarily used for hospital patient care, wheat research and marketing, and fire prevention on state and federal lands.

STATE OF MONTANA
Combining Balance Sheet
All Special Revenue Funds
June 30, 1984
(Expressed in Thousands)

	STATE	FEDERAL	OTHER	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
ASSETS					
Cash and Cash Equivalents	$ 108,321	$ 23,824	$ 4,042	$ 136,187	$ 114,940
Cash with Fiscal Agent	1,282	-	-	1,282	1,700
Receivables (Net)	11,423	2,137	1,531	15,091	10,493
Interentity Loans Receivable	27,117	-	-	27,117	21,783
Due from Other Governments	82	41,995	117	42,194	39,541
Due from Other Funds	41,514	11,296	2,811	55,621	49,154
Inventories	326	10	15,201	15,537	14,848
Advances to Investment Pool	24,800	2,898	755	28,453	23,652
Long-Term Notes Receivable	7,862	5,181	-	13,043	8,779
Investments	44,797	-	-	44,797	21,385
Other Assets	484	1,045	1	1,530	2,317
Total Assets	**$ 268,008**	**$ 88,386**	**$ 24,458**	**$ 380,852**	**$ 308,592**
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts Payable & Accruals	$ 7,140	$ 31,350	$ 1,760	$ 40,250	$ 41,005
Interentity Loans Payable	-	23,602	3,700	27,302	21,116
Due to Other Funds	36,970	11,264	2,476	50,710	32,208
Due to Other Governments	-	1,853	-	1,853	2,990
Other Payables	-	1,778	-	1,778	1,347
Deferred Revenue	11,882	11,848	102	23,832	18,205
Property Held in Trust	611	194	-	805	549
Total Liabilities	**56,603**	**81,889**	**8,038**	**146,530**	**117,420**
Fund Equity:					
Reserved For:					
Inventories	326	-	15,201	15,527	14,837
Long-Term Assets	4,515	3,657	-	8,172	4,508
Encumbrances	4,639	-	679	5,318	9,054
Unreserved	201,925	2,840	540	205,305	162,773
Total Fund Equity	**211,405**	**6,497**	**16,420**	**234,322**	**191,172**
Total Liabilities and Fund Equity	**$ 268,008**	**$ 88,386**	**$ 24,458**	**$ 380,852**	**$ 308,592**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
All Special Revenue Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	STATE	FEDERAL	OTHER	TOTALS FOR THE YEAR ENDED June 30, 1984	June 30, 1983 (unaudited)
REVENUES:					
Licenses and Permits	$ 30,200	$ -	$ 99	$ 30,299	$ 33,974
Taxes:					
Individual Income	42,587	-	-	42,587	38,176
Corporate Income	11,317	-	-	11,317	11,628
Gas, Oil and Coal Production	31,385	-	-	31,385	14,150
Other	141,757	874	1,643	144,274	100,245
Service Fees and Fines	5,114	218	20,195	25,527	7,663
Investment Earnings	55,513	210	472	56,195	29,348
Reimbursements	1,246	-	-	1,246	6,410
Sale of Doc. Mdse. & Property	642	150	1,322	2,114	1,081
Rentals, Leases and Royalties	188	24	146	358	459
Fiduciary and Trust	271	-	-	271	42
Grants and Gifts	568	-	801	1,369	7,234
Federal	23,918	311,555	-	335,473	281,502
Miscellaneous	932	714	265	1,911	1,320
Total Revenues	**345,638**	**313,745**	**24,943**	**684,326**	**533,232**
EXPENDITURES:					
Current:					
General Government	7,637	5,796	1,974	15,407	18,993
Public Safety & Corrections	11,919	4,100	1,749	17,768	15,517
Transportation	99,439	98,223	13,455	211,117	160,478
Health and Social Services	14,176	140,584	5,919	160,679	144,752
Education and Cultural	159,056	7,511	1,028	167,595	159,147
Resource Dev. and Recreation	23,276	10,760	76	34,112	33,797
Economic Development and Assistance	30,246	35,206	2,000	67,452	31,551
Debt Serv-Interest & Fiscal Charges	474	-	-	474	-
Capital Outlay	1,644	5,330	-	6,974	7,142
Total Expenditures	**347,867**	**307,510**	**26,201**	**681,578**	**571,377**
Excess of Revenues Over (Under) Expenditures	(2,229)	6,235	(1,258)	2,748	(38,145)
PRIOR YEAR ADJUSTMENTS	3,858	(523)	(425)	2,910	(19,519)
OTHER FINANCING SOURCES (USES):					
Bond Proceeds	36,379	-	-	36,379	50,120
Net Operating Transfers	5,370	(1,568)	1,011	4,813	27,091
Increase (Decrease) in Inventories	(46)	-	735	689	1,824
Total Other Financing Sources (Uses)	41,703	(1,568)	1,746	41,881	79,035
PRIOR YEAR TRANSFER ADJUSTMENTS	(1,763)	(6)	-	(1,769)	(31,756)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	**41,569**	**4,138**	**63**	**45,770**	**(10,385)**
FUND BALANCES - JULY 1 - As Previously Stated	174,334	-	16,838	191,172	204,903
PRIOR PERIOD ADJUSTMENTS (See Note 3)	(4,159)	2,359	(320)	(2,120)	(3,346)
FUND BALANCES - July 1 - As Restated	170,175	2,359	16,518	189,052	201,557
RESIDUAL EQUITY TRANSFERS	(339)	-	(161)	(500)	-
FUND BALANCES - JUNE 30	**$ 211,405**	**$ 6,497**	**$ 16,420**	**$ 234,322**	**$ 191,172**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Other Financing Sources (Uses)
Budget and Actual (Budget Basis)
All Special Revenue Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	STATE			FEDERAL		
	BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)
REVENUES:						
Licenses and Permits	$ 24,546	$ 25,054	$ 508	$ -	$ -	$ -
Taxes:						
Gas, Oil and Coal Production	33,387	31,368	(2,019)	-	-	-
Individual Income	40,812	42,437	1,625	-	-	-
Corporate Income	12,515	11,320	(1,195)	-	-	-
Fuel	149,996	138,258	(11,738)	-	-	-
Miscellaneous	-	-	-	750	874	124
Service Fees and Fines	5,609	5,297	(312)	4	-	(4)
Investment Earnings	44,889	46,210	1,321	113	44	(69)
Reimbursements	6,931	6,698	(233)	5,235	4,377	(858)
Sale of Documents, Merchandise and Property	600	532	(68)	95	149	54
Rentals, Leases and Royalties	153	183	30	65	24	(41)
Fiduciary and Trust	694	271	(423)	-	-	-
Grants and Gifts	685	575	(110)	1,075	663	(412)
Federal	14,348	23,918	9,570	337,240	309,273	(27,967)
Miscellaneous	1,339	990	(349)	789	712	(77)
Total Revenues	**336,504**	**333,111**	**(3,393)**	**345,366**	**316,116**	**(29,250)**
EXPENDITURES:						
General Government	12,104	7,581	4,523	7,172	5,916	1,256
Public Safety and Corrections	12,693	12,106	587	6,285	4,120	2,165
Transportation	105,884	98,719	7,165	133,475	105,622	27,853
Health and Social Services	14,936	14,123	813	145,508	140,377	5,131
Education and Cultural	160,506	159,034	1,472	4,904	4,173	731
Resource Development and Recreation	35,478	24,278	11,200	12,713	10,635	2,078
Economic Development and Assistance	65,512	29,828	35,684	48,454	33,213	15,241
Debt Service - Interest & Fiscal Charges	474	474	-	-	-	-
Capital Outlay	3,522	1,644	1,878	11,103	6,757	4,346
Total Expenditures	**411,109**	**347,787**	**63,322**	**369,614**	**310,813**	**58,801**
Excess of Revenues Over (Under) Expenditures	(74,605)	(14,676)	59,929	(24,248)	5,303	29,551
PRIOR YEAR ADJUSTMENTS	1,195	1,195	-	(3,481)	(3,481)	-
OTHER FINANCING SOURCES (USES):						
Bond Proceeds	39,847	40,398	551	-	-	-
Net Operating Transfers	8,901	3,626	(5,275)	(1,426)	(1,016)	410
Total Other Financing Sources	48,748	44,024	(4,724)	(1,426)	(1,016)	410
PRIOR YEAR TRANSFER ADJUSTMENT	(1,650)	(1,650)	-	(6)	(6)	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	**$ (26,312)**	**$ 28,893**	**$ 55,205**	**$ (29,161)**	**$ 800**	**$ 29,961**

The notes to the financial statements are an integral part of this statement.

OTHER			TOTAL SPECIAL REVENUE FUNDS		
BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)
$ 219	$ 99	$ (120)	$ 24,765	$ 25,153	$ 388
-	-	-	33,387	31,368	(2,019)
-	-	-	40,812	42,437	1,625
-	-	-	12,515	11,320	(1,195)
-	-	-	149,996	138,258	(11,738)
1,526	1,643	117	2,276	2,517	241
1,901	1,853	(48)	7,514	7,150	(364)
460	475	15	45,462	46,729	1,267
21,585	18,296	(3,289)	33,751	29,371	(4,380)
1,237	1,309	72	1,932	1,990	58
150	142	(8)	368	349	(19)
-	-	-	694	271	(423)
1,262	801	(461)	3,022	2,039	(983)
1,088	361	(727)	352,676	333,552	(19,124)
258	264	6	2,386	1,966	(420)
29,686	**25,243**	**(4,443)**	**711,556**	**674,470**	**(37,086)**
2,355	2,192	163	21,631	15,689	5,942
2,017	1,762	255	20,995	17,988	3,007
15,787	13,773	2,014	255,146	218,114	37,032
8,200	6,239	1,961	168,644	160,739	7,905
1,181	1,027	154	166,591	164,234	2,357
162	40	122	48,353	34,953	13,400
2,270	1,962	308	116,236	65,003	51,233
-	-	-	474	474	-
-	-	-	14,625	8,401	6,224
31,972	**26,995**	**4,977**	**812,695**	**685,595**	**127,100**
(2,286)	(1,752)	534	(101,139)	(11,125)	90,014
(145)	(145)	-	(2,431)	(2,431)	-
-	-	-	39,847	40,398	551
1,033	975	(58)	8,508	3,585	(4,923)
1,033	975	(58)	48,355	43,983	(4,372)
-	-	-	(1,656)	(1,656)	-
$ (1,398)	**$ (922)**	**$ 476**	**$ (56,871)**	**$ 28,771**	**$ 85,642**

STATE OF MONTANA
Combining Balance Sheet
All Other Special Revenue Funds
June 30, 1984
(Expressed in Thousands)

	REVOLVING	PRIVATE DONATIONS	INTEREST & INCOME	INSURANCE REIMBURSEMENTS	ASSESSMENTS	SUBTOTAL
ASSETS						
Cash and Cash Equivalents	$ 3,268	$ 213	$ 49	$ 70	$ 442	$ 4,042
Receivables (Net)	1,521	10	-	-	-	1,531
Due from Other Governments	62	55	-	-	-	117
Due from Other Funds	2,677	-	127	-	7	2,811
Inventories	15,201	-	-	-	-	15,201
Advances to Investment Pool	-	-	-	-	755	755
Other Assets	1	-	-	-	-	1
Total Assets	**$ 22,730**	**$ 278**	**$ 176**	**$ 70**	**$ 1,204**	**$ 24,458**
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts Payable & Accruals	$ 1,613	$ 95	$ 5	$ 36	$ 11	$ 1,760
Interentity Loans Payable	3,700	-	-	-	-	3,700
Due to Other Funds	2,165	9	113	7	182	2,476
Deferred Revenue	62	9	31	-	-	102
Total Liabilities	**7,540**	**113**	**149**	**43**	**193**	**8,038**
Fund Equity:						
Reserved For:						
Inventories	15,201	-	-	-	-	15,201
Encumbrances	647	6	-	26	-	679
Unreserved	(658)	159	27	1	1,011	540
Total Fund Equity	**15,190**	**165**	**27**	**27**	**1,011**	**16,420**
Total Liabilities and Fund Equity	**$ 22,730**	**$ 278**	**$ 176**	**$ 70**	**$ 1,204**	**$ 24,458**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
All Other Special Revenue Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	REVOLVING	PRIVATE DONATIONS	INTEREST AND INCOME	INSURANCE REIMBURSEMENTS	ASSESSMENTS	SUBTOTAL
REVENUES:						
Licenses and Permits	$ 99	$ -	$ -	$ -	$ -	$ 99
Taxes:						
Other	-	-	-	-	1,643	1,643
Service Fees and Fines	20,194	-	-	-	1	20,195
Investment Earnings	-	-	403	-	69	472
Sale of Doc. Mdse. & Property	1,322	-	-	-	-	1,322
Rentals, Leases and Royalties	16	-	130	-	-	146
Grants & Gifts	-	750	2	-	49	801
Miscellaneous	265	-	-	-	-	265
Total Revenues	**21,896**	**750**	**535**	**-**	**1,762**	**24,943**
EXPENDITURES:						
General Government	1,974	-	-	-	-	1,974
Public Safety & Corrections	1,427	-	275	47	-	1,749
Transportation	13,133	295	-	-	27	13,455
Health and Social Services	5,177	228	6	4	504	5,919
Education and Cultural	650	178	200	-	-	1,028
Resource Dev. and Recreation	67	6	-	-	3	76
Economic Development and Assistance	745	-	-	-	1,255	2,000
Total Expenditures	**23,173**	**707**	**481**	**51**	**1,789**	**26,201**
Excess of Revenues Over (Under) Expenditures	(1,277)	43	54	(51)	(27)	(1,258)
PRIOR YEAR ADJUSTMENTS	(104)	(311)	-	(7)	(3)	(425)
OTHER FINANCING SOURCES (USES):						
Net Operating Transfers	1,011	-	-	-	-	1,011
Increase (Decrease) in Inventories	735	-	-	-	-	735
Total Other Financing Sources (Uses)	1,746	-	-	-	-	1,746
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	**365**	**(268)**	**54**	**(58)**	**(30)**	**63**
FUND BALANCES - JULY 1 - As Previously Stated	14,955	432	(27)	164	1,314	16,838
PRIOR PERIOD ADJUSTMENTS (See Note 3)	31	1	-	(79)	(273)	(320)
FUND BALANCES - July 1 - As Restated	14,986	433	(27)	85	1,041	16,518
RESIDUAL EQUITY TRANSFERS	(161)	-	-	-	-	(161)
FUND BALANCES - JUNE 30	**$ 15,190**	**$ 165**	**$ 27**	**$ 27**	**$ 1,011**	**$ 16,420**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Other Financing Sources (Uses)
All Other Special Revenue Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	REVOLVING			PRIVATE DONATIONS			INTEREST AND INCOME		
	BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)
REVENUES:									
Licenses and Permits	$ 219	$ 99	$ (120)	$ -	$ -	$ -	$ -	$ -	$ -
Taxes:									
Miscellaneous	-	-	-	-	-	-	-	-	-
Service Fees and Fines	1,900	1,853	(47)	-	-	-	-	-	-
Investment Earnings	-	-	-	33	-	(33)	360	408	48
Reimbursements	21,560	18,294	(3,266)	-	-	-	-	-	-
Sale of Documents, Merchandise and Property	1,227	1,309	82	10	-	(10)	-	-	-
Rentals, Leases and Royalties	20	17	(3)	-	-	-	130	125	(5)
Grants and Gifts	-	-	-	1,204	751	(453)	3	1	(2)
Federal	750	-	(750)	-	-	-	-	-	-
Miscellaneous	258	264	6	-	-	-	-	-	-
Total Revenues	25,934	21,836	(4,098)	1,247	751	(496)	493	534	41
EXPENDITURES:									
General Government	2,355	2,192	163	-	-	-	-	-	-
Public Safety and Corrections	1,626	1,420	206	-	-	-	300	275	25
Transportation	14,700	13,451	1,249	1,050	295	755	-	-	-
Health and Social Services	7,074	5,174	1,900	266	227	39	6	6	-
Education and Cultural	743	647	96	238	180	58	200	200	-
Resource Development and Recreation	34	32	2	9	5	4	-	-	-
Economic Development and Assistance	737	734	3	-	-	-	-	-	-
Total Expenditures	27,269	23,650	3,619	1,563	707	856	506	481	25
Excess of Revenues Over (Under) Expenditures	(1,335)	(1,814)	(479)	(316)	44	360	(13)	53	66
PRIOR YEAR ADJUSTMENTS	(90)	(90)	-	(52)	(52)	-	-	-	-
OTHER FINANCING SOURCES (USES):									
Operating Transfers In (Out)	1,033	975	(58)	-	-	-	-	-	-
Total Other Financing Sources	1,033	975	(58)	-	-	-	-	-	-
PRIOR YEAR TRANSFER ADJUSTMENT	-	-	-	-	-	-	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ (392)	$ (929)	$ (537)	$ (368)	$ (8)	$ 360	$ (13)	$ 53	$ 66

The notes to the financial statements are an integral part of this statement.

INSURANCE REIMBURSEMENTS			ASSESSMENTS			SUBTOTAL - OTHER SPECIAL REVENUE FUNDS		
BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE-FAVORABLE (UNFAVORABLE)
$ -	$ -	$ -	$ -	$ -	$ -	$ 219	$ 99	$ (120)
-	-	-	1,526	1,643	117	1,526	1,643	117
-	-	-	1	-	(1)	1,901	1,853	(48)
-	-	-	67	67	-	460	475	15
25	2	(23)	-	-	-	21,585	18,296	(3,289)
-	-	-	-	-	-	1,237	1,309	72
-	-	-	-	-	-	150	142	(8)
-	-	-	55	49	(6)	1,262	801	(461)
338	361	23	-	-	-	1,088	361	(727)
-	-	-	-	-	-	258	264	6
363	363	-	1,649	1,759	110	29,686	25,243	(4,443)
-	-	-	-	-	-	2,355	2,192	163
91	67	24	-	-	-	2,017	1,762	255
-	-	-	37	27	10	15,787	13,773	2,014
349	328	21	505	504	1	8,200	6,239	1,961
-	-	-	-	-	-	1,181	1,027	154
-	-	-	119	3	116	162	40	122
-	-	-	1,533	1,228	305	2,270	1,962	308
440	395	45	2,194	1,762	432	31,972	26,995	4,977
(77)	(32)	45	(545)	(3)	542	(2,286)	(1,752)	534
-	-	-	(3)	(3)	-	(145)	(145)	-
-	-	-	-	-	-	1,033	975	(58)
-	-	-	-	-	-	1,033	975	(58)
-	-	-	-	-	-	-	-	-
$ (77)	$ (32)	$ 45	$ (548)	$ (6)	$ 542	$ (1,398)	$ (922)	$ 476

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for the payment of general long-term debt principal and interest.

DESCRIPTION OF
DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 1984

Long Range Building Program - This fund accounts for the payment of all long range building program bonds and interest.

Highway's Building and Complex - This fund accounts for gasoline taxes pledged for the payment of principal and interest on bonds issued for the purpose of acquiring a site, erecting and equipping the Montana Department of Highways headquarters building and complex.

Highway Revenue Bonds - This fund accounts for gasoline taxes pledged for payment of principal and interest on bonds issued for the purpose of constructing highways in Montana.

Department of Social and Rehabilitative Services (SRS) Building - The building occupied by SRS is owned by the Teachers' Retirement System and is leased to the State through a lease-purchase agreement. This fund accounts for the lease payments to the retirement system.

Charlo Water Supply Project - This fund accounts for money received from the Charlo Water Users Association to retire Charlo Water Users bonds.

Renewable Resource - This fund accounts for coal severance taxes pledged to retire bonds that were never issued. Transfer of these funds to the State Special Revenue Fund was authorized to finance renewable resource or water development projects.

Coal Tax Bonds - Monies in this fund are pledged for the payment of principal and interest on all State of Montana Coal Severance Tax bonds.

Water Development - This fund accounts for coal severance taxes pledged to retire bonds sold to make loans/grants for water development projects and activities, as prioritized by the 1983 Legislature.

STATE OF MONTANA
Combining Balance Sheet
All Debt Service Funds
June 30, 1984
(Expressed in Thousands)

	LONG RANGE BUILDING PROGRAM	HIGHWAY BUILDING COMPLEX	HIGHWAY REVENUE BONDS	SRS BUILDING	COAL TAX BONDS	WATER DEVELOPMENT	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
ASSETS								
Cash and Cash Equivalents	$ 7,584	$ 869	$ 3,905	$ 51	$ 1	$ 235	$ 12,645	$ 12,320
Receivables (Net)	1,611	10	-	-	-	-	1,621	1,287
Due from Other Funds	21,090	-	-	-	-	-	21,090	2
Advances to Investment Pool	-	10	1,007	-	58	-	1,075	459
Investments	-	330	15,043	-	-	-	15,373	10,915
Total Assets	$ 30,285	$ 1,219	$ 19,955	$ 51	$ 59	$ 235	$ 51,804	$ 24,983
LIABILITIES AND FUND EQUITY								
Liabilities:								
Accounts Payable and Accruals	$ 808	$ 132	$ 2,606	$ -	$ -	$ -	$ 3,546	$ 178
Due to Other Funds	12,226	-	1,373	-	57	-	13,656	1
Deferred Revenue	9,596	10	-	-	-	-	9,606	990
Current Notes and Bonds Payable	-	305	-	-	-	-	305	290
Total Liabilities	22,630	447	3,979	-	57	-	27,113	1,459
Fund Equity:								
Reserved for Debt Service	7,655	772	15,976	51	2	235	24,691	23,524
Total Fund Equity	7,655	772	15,976	51	2	235	24,691	23,524
Total Liabilities and Fund Equity	$ 30,285	$ 1,219	$ 19,955	$ 51	$ 59	$ 235	$ 51,804	$ 24,983

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
All Debt Service Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	LONG RANGE BUILDING PROGRAM	HIGHWAY BUILDING COMPLEX	HIGHWAY REVENUE BONDS	SRS BUILDING	CHARLO WATER SUPPLY
REVENUES:					
Taxes:					
Gas, Oil and Coal Prod.	$ -	$ -	$ -	$ -	$ -
Individual Income	18,738	-	-	-	-
Corporate	3,532	-	-	-	-
Cigarette & Tobacco	10,177	-	-	-	-
Service Fees & Fines	-	-	-	196	-
Investment Earnings	596	79	-	-	-
Grants and Gifts	-	-	-	-	3
Miscellaneous	171	-	-	-	-
Total Revenues	**33,214**	**79**	**-**	**196**	**3**
EXPENDITURES:					
Debt Service:					
Principal Retirement	123	305	-	55	3
Interest and Fiscal Charges	4,423	275	7,433	123	-
Total Expenditures	**4,546**	**580**	**7,433**	**178**	**3**
Excess of Revenues over (under) Expenditures	28,668	(501)	(7,433)	18	-
PRIOR YEAR ADJUSTMENTS	412	-	-	-	-
OTHER FINANCING SOURCES (USES):					
Bonds Proceeds	-	-	5,318	-	-
Net Operating Transfers	(30,199)	580	4,911	-	-
Total Other Financing Sources (Uses)	(30,199)	580	10,229	-	-
PRIOR YEAR TRANSFER ADJUSTMENTS	-	-	-	-	-
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	**(1,119)**	**79**	**2,796**	**18**	**-**
FUND BALANCE - July 1 - As Previously Stated	9,618	693	13,180	33	-
PRIOR PERIOD ADJUSTMENTS (See Note 3)	(844)	-	-	-	-
FUND BALANCE - July 1 - As Restated	8,774	693	13,180	33	-
FUND BALANCE - June 30	**$ 7,655**	**$ 772**	**$ 15,976**	**$ 51**	**$ -**

The notes to the financial statements are an integral part of this statement.

RENEWABLE RESOURCE	COAL TAX BONDS	WATER DEVELOPMENT	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
$ 624	$ 10,353	$ 411	$ 11,388	$ 1,000
-	-	-	18,738	16,797
-	-	-	3,532	3,605
-	-	-	10,177	8,305
-	-	-	196	-
-	-	-	675	1,184
-	-	-	3	3
-	-	-	171	-
624	**10,353**	**411**	**44,880**	**30,894**
-	-	-	486	3,734
-	-	30	12,284	5,906
-	-	**30**	**12,770**	**9,640**
624	10,353	381	32,110	21,254
-	-	-	412	59
-	-	-	5,318	13,180
(624)	(10,351)	(146)	(35,829)	(21,869)
(624)	(10,351)	(146)	(30,511)	(8,689)
-	-	-	-	(5)
-	2	235	2,011	12,619
-	-	-	23,524	10,766
-	-	-	(844)	139
-	-	-	22,680	10,905
$ -	$ 2	$ 235	$ 24,691	$ 23,524

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major governmental general fixed assets.

DESCRIPTION OF CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 1984

Long Range Building Program - This fund is maintained to account for resources received and expended for the State's long range building program. The long-range building program includes costs for the acquisition, construction and improvement of major fixed assets financed by general obligation bonds and interest earned on bond proceeds.

Capital Land Grant - This fund accounts for revenues and expenditures from the capital land grant. Revenues are dedicated for the purpose of constructing capital buildings or additions thereto. Revenues may be transferred to a debt service fund for the payment of principal and interest on bonds issued for capital building construction.

Federal and Private Construction Grants - This fund accounts for federal grants, private donations and federal matching funds that are restricted to general fixed asset construction.

STATE OF MONTANA
Combining Balance Sheet
All Capital Projects Funds
June 30, 1984
(Expressed in Thousands)

	LONG RANGE BUILDING	CAPITAL LAND GRANT	FED. & PRIV. CONST. GRANT	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
ASSETS					
Cash & Cash Equivalents	$ 25,758	$ 660	$ 166	$ 26,584	$ 12,717
Receivables (Net)	2,018	-	-	2,018	1,191
Due from Other Governments	-	-	622	622	-
Due from Other Funds	156	21	-	177	(48)
Interentity Loans Receivable	200	-	-	200	-
Advances to Investment Pool	17,128	-	-	17,128	12,233
Investments	12,974	-	-	12,974	6,996
Long Term Notes & Loans Rec.	90	22	-	112	-
Other Assets	-	27	-	27	14
Total Assets	$ 58,324	$ 730	$ 788	$ 59,842	$ 33,103
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts Payable & Accruals	$ 1,319	$ 3	$ 384	$ 1,706	$ 798
Interentity Loans Payable	-	-	200	200	796
Due to Other Funds	14	490	4	508	(17)
Other Payables	-	-	-	-	54
Deferred Revenue	1,129	-	-	1,129	718
Total Liabilities	2,462	493	588	3,543	2,349
Fund Equity:					
Reserved For Encumbrances	-	23	-	23	34
Unreserved	55,862	214	200	56,276	30,720
Total Fund Equity	55,862	237	200	56,299	30,754
Total Liabilities and Fund Equity	$ 58,324	$ 730	$ 788	$ 59,842	$ 33,103

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
All Capital Projects Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	LONG RANGE BUILDING	CAPITAL LAND GRANT	FED. & PRIV. CONST. GRANT	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
REVENUES:					
Cigarette and Tobacco Tax	$ 2,408	$ -	$ -	$ 2,408	$ 2,857
Service Fees & Fines	35	-	-	35	-
Investment Earnings	4,900	40	-	4,940	5,352
Sale of Documents, Merchandise and Property	-	140	-	140	281
Rentals, Leases, & Royalties	-	722	-	722	564
Grants & Gifts					
Federal	-	-	552	552	-
Total Revenues	**7,343**	**902**	728	728	-
			1,280	**9,525**	**9,054**
EXPENDITURES:					
General Government	127	45	-	172	1,438
Capital Outlay	21,995	5	1,080	23,080	18,326
Total Expenditures	**22,122**	**50**	**1,080**	**23,252**	**19,764**
Excess of Revenues over (under) Expenditures	(14,779)	852	200	(13,727)	(10,710)
PRIOR YEAR ADJUSTMENTS	288	-	-	288	107
OTHER FINANCING SOURCES (USES):					
Bond Proceeds	39,330	-	-	39,330	-
Net Operating Transfers	(503)	110	-	(393)	1,696
Total Other Financing Sources (Uses)	38,827	110	-	38,937	1,696
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	**24,336**	**962**	**200**	**25,498**	**(8,907)**
FUND BALANCE - July 1 - As Previously Stated	31,479	(725)	-	30,754	39,022
PRIOR PERIOD ADJUSTMENTS (See Note 3)	47	-	-	47	639
FUND BALANCE - July 1 - As Restated	31,526	(725)	-	30,801	39,661
FUND BALANCE - June 30	$ 55,862	$ 237	$ 200	$ 56,299	$ 30,754

The notes to the financial statements are an integral part of this statement.

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that provide goods or services to the public on a user charge basis.

DESCRIPTION OF ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 1984

Liquor Stores - This fund accounts for activities related to the sale and distribution of alcoholic beverages within the State. Profits are used to finance General Fund expenditures.

Housing Authority - This fund is maintained to account for activities of the Board of Housing. The Board issues bonds and carries federally insured mortgage notes to provide qualified individuals with financing to purchase residential housing.

West Yellowstone Airport - This fund, administered by the Department of Commerce, accounts for operations of the airport at West Yellowstone. User airlines are assessed rent and landing fees.

State Employee Group Benefits - This fund receives employee withholdings and State contributions to the medical self-insurance plan. The State contracted Mutual of Omaha to oversee the administrative functions of the program.

Health Facilities Authority - This operation, administered by the Department of Commerce, began in fiscal year 1984. The purpose of the Authority, composed of a seven-member Board of Directors, is to contain future health care costs to the people of Montana through reduced debt financing of capital equipment and buildings for Montana's non-profit health care institutions. Bonded debt issuances are limited to $50 million per biennium. The only source of funding is fee revenues generated through the sale of bonds. Bonds were not sold until September, 1984.

Beginning Farm Loans - This operation began in fiscal year 1984 and is administered by the Department of Agriculture. The Montana Agriculture Loan Authority, composed of a nine-member Board, approves loans to qualifying beginning farmers/ranchers. Revenues are generated from application fees and loan origination fees.

Other Enterprise Funds - There are four funds included in this group:

Historical Society Merchandise Sales - This fund accounts for the Historical Society's sale of books, prints and postcards. Profits are transferred to the State Special Revenue Fund to finance artifact restoration and painting conservation costs.

Historical Society Magazine Sales - This fund accounts for revenues and expenses associated with the sale of the magazine, Montana.

Historical Society Press - This fund receives revenues from the sale of publications, books, monographs, brochures and catalogs published by the Historical Society.

Leaf-Cutting Bee - Fees are collected annually from persons importing, possessing or controlling alfalfa leaf-cutting bees. Fees are used by the Department of Agriculture to reimburse costs incurred in certifying that the bees are disease free.

STATE OF MONTANA
Combining Balance Sheet
All Enterprise Funds
June 30, 1984
(Expressed in Thousands)

	LIQUOR STORES	HOUSING AUTHORITY	WEST YELLOWSTONE AIRPORT	EMPLOYEES GROUP BENEFITS
ASSETS				
Cash and Cash Equivalents	$ 1,593	$ 54	$ 35	$ 221
Receivables (Net)	39	7,360	-	151
Due from Other Funds	322	-	-	625
Inventories	7,442	-	-	-
Advances to Investment Pool	-	-	-	5,391
Long-Term Notes and Loans Rec.	-	337,341	-	-
Investments	-	79,164	-	4,598
Restricted Assets	-	49,417	-	-
Buildings and Improvements	1,736	-	390	-
Equipment	839	12	98	2
Accumulated Depreciation	(821)	-	(248)	-
Other	63	-	-	-
Total Assets	**$ 11,213**	**$ 473,348**	**$ 275**	**$ 10,988**
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts Payable and Accruals	$ 1,002	$ 4,060	$ 2	$ 483
Interentity Loans Payable	-	-	-	-
Due to Other Funds	2,213	-	5	8
Compensated Absence Accrual	358	22	6	6
Deferred Revenue	-	861	-	-
Notes and Bonds Payable	-	439,994	-	-
Total Liabilities	**3,573**	**444,937**	**13**	**497**
Fund Equity:				
Retained Earnings:				
Reserved for Bond Retirement	-	26,694	-	-
Reserve for Encumbrances	1	-	-	-
Unreserved	7,639	1,717	262	10,491
Total Fund Equity	**7,640**	**28,411**	**262**	**10,491**
Total Liabilities and and Fund Equity	**$ 11,213**	**$ 473,348**	**$ 275**	**$ 10,988**

The notes to the financial statements are an integral part of this statement.

HEALTH FACILITIES AUTHORITY	BEGINNING FARM LOANS	OTHER	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
$ 34	$ 49	$ 139	$ 2,125	$ 2,630
-	-	7	7,557	4,771
-	-	1	948	547
-	-	175	7,617	8,901
-	-	-	5,391	6,993
-	-	-	337,341	241,661
-	-	-	83,762	75,852
-	-	-	49,417	37,043
-	-	-	2,126	1,974
-	-	45	996	979
-	-	(30)	(1,099)	(786)
-	-	-	63	64
$ 34	$ 49	$ 337	$ 496,244	$ 380,629
$ 1	$ -	$ 4	$ 5,552	$ 7,033
35	98	-	133	-
8	3	11	2,248	3,136
-	6	7	405	-
-	-	115	976	926
-	-	-	439,994	331,806
44	107	137	449,308	342,901
-	-	-	26,694	19,434
-	1	11	13	69
(10)	(59)	189	20,229	18,225
(10)	(58)	200	46,936	37,728
$ 34	$ 49	$ 337	$ 496,244	$ 380,629

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Retained Earnings
All Enterprise Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	LIQUOR STORES	HOUSING AUTHORITY	WEST YELLOWSTONE AIRPORT	EMPLOYEES GROUP BENEFITS
OPERATING REVENUES:				
Taxes	$ 10,515	$ 1,966	$ -	$ -
Charges for Services	41,756	39,909	-	14,827
Mortgage Loan & Investment Earnings	-	-	-	975
Other	10	77	100	-
Total Operating Revenues	**52,281**	**41,952**	**100**	**15,802**
OPERATING EXPENSES:				
Personal Services	4,295	234	51	69
Contractual Services	978	1,737	2	75
Supplies and Materials	29,738	3	3	4
Debt Service	-	33,087	-	-
Benefits	-	-	-	12,751
Depreciation	118	3	35	-
Utilities and Rent	944	17	7	-
Communications	109	17	1	5
Repair & Maintenance	70	1	3	-
Other	111	52	5	5
Total Operating Expenses	**36,363**	**35,151**	**107**	**12,909**
Operating Income	15,918	6,801	(7)	2,893
PRIOR YEAR ADJUSTMENTS	(67)	(8)	-	449
NONOPERATING REVENUES (EXPENSES):				
Gain on Sale of Fixed Assets	2	-	-	-
Miscellaneous	-	-	-	-
Total Nonoperating Revenue	2	-	-	-
Income before Operating Transfers	15,853	6,793	(7)	3,342
NET OPERATING TRANSFERS	(16,302)	-	-	-
PRIOR YEAR TRANSFER ADJUSTMENTS	(2)	-	-	-
Net Income (Loss)	**(451)**	**6,793**	**(7)**	**3,342**
RETAINED EARNINGS - JULY 1 - As Previously Stated	8,512	21,636	276	7,154
PRIOR PERIOD ADJUSTMENTS (See Note 3)	(421)	(18)	(7)	(5)
RETAINED EARNINGS - July 1 - As Restated	8,091	21,618	269	7,149
RETAINED EARNINGS - JUNE 30	**$ 7,640**	**$ 28,411**	**$ 262**	**$ 10,491**

The notes to the financial statements are an integral part of this statement.

HEALTH FACILITIES AUTHORITY	BEGINNING FARM LOANS	OTHER	TOTALS June 30, 1984	TOTALS June 30,1983 (unaudited)
$ -	$ -	$ -	$ 12,481	$ -
7	-	372	96,871	68,888
-	-	-	975	28,698
-	-	-	187	775
7	-	**372**	**110,514**	**98,361**
6	43	96	4,794	5,216
6	3	49	2,850	3,011
-	-	126	29,874	31,230
-	-	-	33,087	23,660
-	-	-	12,751	12,444
-	-	4	160	111
-	1	4	973	970
1	3	15	151	-
-	-	1	75	-
4	8	18	203	305
17	**58**	**313**	**84,918**	**76,947**
(10)	(58)	59	25,596	21,414
-	-	(1)	373	31
-	-	-	2	1
-	-	-	-	36
-	-	-	2	37
(10)	(58)	58	25,971	21,482
-	-	-	(16,302)	(15,265)
-	-	-	(2)	(70)
(10)	**(58)**	**58**	**9,667**	**6,147**
-	-	150	37,728	31,331
-	-	(8)	(459)	250
-	-	142	37,269	31,581
$ (10)	$ (58)	$ 200	$ 46,936	$ 37,728

STATE OF MONTANA
Combining Statement of Changes in Financial Position
All Enterprise Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	LIQUOR STORES	HOUSING AUTHORITY	WEST YELLOWSTONE AIRPORT
SOURCES OF WORKING CAPITAL:			
Operations:			
Net Income (Loss)	$ (451)	$ 6,793	$ (7)
Items not Requiring Working Capital:			
Depreciation	118	3	35
Compensated Absence Accrual	358	22	6
Prior Period Adjustments (See Note 3)	(421)	(18)	(7)
Working Capital Provided by Operations	(396)	6,800	27
Decrease in Long-Term Investments	-	-	-
Disposal of Fixed Assets	8	-	-
Decrease in Noncurrent Receivables	-	7,315	-
Increase in Noncurrent Payables	-	114,997	-
Total Sources of Working Capital	(388)	129,112	27
USES OF WORKING CAPITAL:			
Purchase of Long-Term Investments	-	14,841	-
Acquisition of Fixed Assets	18	-	-
Decrease in Noncurrent Payables	-	5,190	-
Purchase of Mortgage Loans	-	102,854	-
Payments of Issuance Costs	-	2,606	-
Total Uses of Working Capital	18	125,491	-
Net Increase (Decrease) in Working Capital	$ (406)	$ 3,621	$ 27
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:			
Cash and Cash Equivalents	$ (828)	$ (19)	$ 26
Receivables (Net)	(11)	2,707	-
Due from Other Funds	308	-	-
Inventories	(1,309)	-	-
Advances to Investment Pool	-	-	-
Interentity Loans Receivable	-	-	-
Accounts Payable	533	976	-
Due to Other Funds	901	-	1
Deferred Revenue	-	(43)	-
Interentity Loans Payable	-	-	-
Net Increase (Decrease) in Working Capital	$ (406)	$ 3,621	$ 27

The notes to the financial statements are an integral part of this statement.

EMPLOYEES GROUP BENEFITS	HEALTH FACILITIES AUTHORITY	BEGINNING FARM LOANS	OTHER	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
$ 3,342	$ (10)	$ (58)	$ 58	$ 9,667	$ 6,147
-	-	-	4	160	111
6	-	6	7	405	-
(5)	-	-	(8)	(459)	250
3,343	(10)	(52)	61	9,773	6,508
2,695	-	-	-	2,695	-
-	-	-	-	8	84
-	-	-	-	7,315	5,017
-	-	-	-	114,997	85,000
6,038	**(10)**	**(52)**	**61**	**134,788**	**96,609**
7,293	-	-	-	22,134	13,927
2	-	-	5	25	156
-	-	-	-	5,190	27,690
-	-	-	-	102,854	49,884
-	-	-	-	2,606	2,295
7,295	-	-	5	**132,809**	**93,952**
$ (1,257)	**$ (10)**	**$ (52)**	**$ 56**	**$ 1,979**	**$ 2,657**
$ 196	$ 34	$ 49	$ 38	$ (504)	$ 1,617
91	-	-	-	2,787	633
91	-	-	1	400	(3,900)
-	-	-	23	(1,286)	(2,170)
(1,601)	-	-	-	(1,601)	2,027
-	-	-	-	-	(6)
(30)	(1)	-	2	1,480	(629)
(4)	(8)	(3)	1	888	5,510
-	-	-	(9)	(52)	(450)
-	(35)	(98)	-	(133)	25
$ (1,257)	**$ (10)**	**$ (52)**	**$ 56**	**$ 1,979**	**$ 2,657**

STATE OF MONTANA
Combining Balance Sheet
All Other Enterprise Funds
June 30, 1984
(Expressed in Thousands)

	HISTORICAL SOCIETY MERCHANDISE	HISTORICAL SOCIETY MAGAZINE	HISTORICAL SOCIETY PRESS	LEAF-CUTTING BEE	SUBTOTAL
ASSETS					
Cash and Cash Equivalents	$ 63	$ 9	$ 32	$ 35	$ 139
Receivables (Net)	-	3	4	-	7
Due from Other Funds	-	1	-	-	1
Inventories	88	41	46	-	175
Equipment	22	22	1	-	45
Accumulated Depreciation	(14)	(16)	-	-	(30)
Total Assets	**$ 159**	**$ 60**	**$ 83**	**$ 35**	**$ 337**
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts Payable and Accruals	$ 3	$ 1	$ -	$ -	$ 4
Due to Other Funds	2	5	2	2	11
Compensated Absence Accrual	2	5	-	-	7
Deferred Revenue	-	115	-	-	115
Total Liabilities	**7**	**126**	**2**	**2**	**137**
Fund Equity:					
Retained Earnings:					
Reserve for Encumbrances	8	3	-	-	11
Unreserved	144	(69)	81	33	189
Total Fund Equity	**152**	**(66)**	**81**	**33**	**200**
Total Liabilities and and Fund Equity	**$ 159**	**$ 60**	**$ 83**	**$ 35**	**$ 337**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Retained Earnings
All Other Enterprise Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	HISTORICAL SOCIETY MERCHANDISE	HISTORICAL SOCIETY MAGAZINE	HISTORICAL SOCIETY PRESS	LEAF-CUTTING BEE	SUBTOTAL
OPERATING REVENUES:					
Charges for Services	$ 174	$ 109	$ 54	$ 35	$ 372
Total Operating Revenues	**174**	**109**	**54**	**35**	**372**
OPERATING EXPENSES:					
Personal Services	31	50	5	10	96
Contractual Services	4	32	1	12	49
Supplies and Materials	87	25	13	1	126
Depreciation	3	1	-	-	4
Utilities and Rent	2	2	-	-	4
Communications	3	10	-	2	15
Repair & Maintenance	1	-	-	-	1
Other	14	-	2	2	18
Total Operating Expenses	**145**	**120**	**21**	**27**	**313**
Operating Income (Loss)	29	(11)	33	8	59
PRIOR YEAR ADJUSTMENTS	-	-	(1)	-	(1)
Net Income (Loss)	**29**	**(11)**	**32**	**8**	**58**
RETAINED EARNINGS - JULY 1 - As Previously Stated	126	(51)	50	25	150
PRIOR PERIOD ADJUSTMENTS (See Note 3)	(3)	(4)	(1)	-	(8)
RETAINED EARNINGS - July 1 - As Restated	123	(55)	49	25	142
RETAINED EARNINGS - JUNE 30	$ 152	$ (66)	$ 81	$ 33	$ 200

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Statement of Changes in Financial Position
All Other Enterprise Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	HISTORICAL SOCIETY MERCHANDISE	HISTORICAL SOCIETY MAGAZINE	HISTORICAL SOCIETY PRESS	LEAF-CUTTING BEE	SUBTOTAL
SOURCES OF WORKING CAPITAL:					
Operations:					
Net Income (Loss)	$ 29	$ (11)	$ 32	$ 8	$ 58
Items not Requiring Working Capital:					
Depreciation	3	1	-	-	4
Compensated Absence Accrual	2	5	-	-	7
Prior Period Adjustment (See Note 3)	(3)	(4)	(1)	-	(8)
Working Capital Provided by Operations	31	(9)	31	8	61
Total Sources of Working Capital	**31**	**(9)**	**31**	**8**	**61**
USES OF WORKING CAPITAL:					
Acquisition of Fixed Assets	1	4	-	-	5
Total Uses of Working Capital	**1**	**4**	**-**	**-**	**5**
Net Increase (Decrease) in Working Capital	**$ 30**	**$ (13)**	**$ 31**	**$ 8**	**$ 56**
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash and Cash Equivalents	$ 27	$ 2	$ -	$ 9	$ 38
Receivables (Net)	(1)	(2)	3	-	-
Due from Other Funds	-	1	-	-	1
Inventories	2	1	20	-	23
Accounts Payable	1	1	-	-	2
Due to Other Funds	1	2	(1)	(1)	1
Deferred Revenue	-	(18)	9	-	(9)
Net Increase (Decrease) in Working Capital	**$ 30**	**$ (13)**	**$ 31**	**$ 8**	**$ 56**

The notes to the financial statements are an integral part of this statement.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for operations that provide goods or services to other agencies or programs of a government on a cost reimbursement basis.

DESCRIPTION OF INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 1984

Motor Pool - State employees' transportation is provided by the Department of Highways through a pool of vehicles. The costs of operating the Motor Pool are recovered through rental rates charged to user agencies based on the average operating costs per mile for each class of vehicle.

Central Data Processing - State agencies are assessed a fee for their use of centralized data processing, systems design services, records storage and microfilm services provided by the Department of Administration.

Local Government Audits - Political subdivisions are assessed a fee for audit services provided them by the State. General Fund support is provided to give ad hoc consulting services to local governments.

Prison Ranch - The ranch at the Montana State Prison is maintained to provide employment for inmates. Products produced by the ranch are primarily sold to other State institutions.

Publications and Graphic Arts - Agencies are assessed a fee for duplicating, typesetting, forms design and graphic arts services.

Communications - State agencies and private users are assessed a fee for their use of the State's phone system.

Buildings and Grounds - Rent proceeds from State agencies are used to pay maintenance, security and landscaping costs for State-owned property.

Insurance - Eight funds are used to account for the State's self-insurance program which is administered by the Department of Administration.

Other Internal Service Funds - This grouping includes sixteen funds:

Legal Services - Two funds are used to account for legal services. The Attorney General's Office, Department of Justice, charges other State agencies a fee for legal assistance. The Department of Commerce funds its Legal Services Program with intradepartmental fees for legal services provided.

Office Supplies and Equipment - Six internal service funds under the Departments of Fish, Wildlife and Parks, Highways and Administration are used to account for inter- and intra-departmental sales and use of office supplies and equipment.

Surplus Property - This fund is used by the Department of Administration to account for state and federal surplus property sales to State agencies, local governments and certain other non-profit organizations.

Director's Office and Centralized Services - Two funds are used by the Department of Commerce for administrative services provided on a cost recovery basis to programs within the department.

Mail and Messenger - This fund accounts for costs associated with intrastate government mail and package delivery.

Personnel Training - This fund accounts for fees charged State agencies for the provision of training to State employees. The fees are used by the Department of Administration to pay instructors and purchase training materials.

Investment Division - This fund accounts for costs associated with operations of the Board of Investments. The Board assists agencies in the investment of State funds. The cost of administering and accounting for each investment fund is deducted from its income.

Prison Industries - This fund accounts for proceeds from the Prison's sale of goods and services, such as license plates and upholstery repair, to State agencies and local governments. Excess earnings are transferred to the General Fund.

Aircraft Operations - This fund, administered by the Department of State Lands, accounts for fees charged to users of State aircraft.

STATE OF MONTANA
Combining Balance Sheet
All Internal Service Funds
June 30, 1984
(Expressed in Thousands)

	MOTOR POOL	CENTRAL DATA PROC.	LOCAL GOV. AUDITS	PRISON RANCH	PUBLICATIONS AND GRAPHICS	COMMUNI-CATIONS	BUILDINGS & GROUNDS	LIABILITY INS. RISK RETENTION
ASSETS								
Cash and Cash Equivalents	$ 251	$ 979	$ 131	$ 106	$ 21	$ 252	$ 762	$ 131
Cash with Fiscal Agent	-	-	-	-	-	3,133	-	-
Receivables (Net)	9	-	116	25	-	10	-	-
Interentity Loans Receivable	-	-	-	40	-	-	-	-
Due from Other Funds	141	626	-	71	114	644	31	-
Inventories	-	37	-	170	41	-	-	-
Advances to Investment Pool	-	-	-	-	-	-	-	-
Long-Term Notes Receivable	-	62	-	-	67	-	-	-
Investments	-	-	-	-	-	-	-	-
Land	235	-	-	690	-	-	-	-
Buildings and Improvements	-	-	-	715	-	-	-	-
Equipment	1,239	5,650	30	777	1,157	8,434	120	-
Other Fixed Assets	-	-	-	1,468	-	-	-	-
Construction in Progress	-	-	-	-	-	-	-	-
Accumulated Depreciation	(576)	(2,952)	(9)	(747)	(447)	(637)	(59)	-
Intangible Assets	-	-	-	-	-	1	-	-
Other Assets	-	-	-	-	-	-	15	-
Total Assets	$ 1,299	$ 4,402	$ 268	$ 3,315	$ 953	$ 11,837	$ 869	$ 131
LIABILITIES AND FUND EQUITY								
Liabilities:								
Accounts Payable & Accruals	$ 3	$ 194	$ 6	$ 94	$ 46	$ 421	$ 58	$ 17
Interentity Loans Payable	18	-	-	-	-	-	-	-
Due to Other Funds	35	194	56	57	64	23	42	153
Compensated Absence Accrual	20	279	60	52	36	33	45	-
Installment Purchase/Lease Payable	-	1,575	-	-	271	10,353	-	-
Deferred Revenue	-	-	-	-	-	-	-	-
Property Held in Trust	-	-	-	-	-	-	-	-
Other Payables	-	-	-	-	-	-	-	-
Total Liabilities	76	2,242	122	203	417	10,830	145	170
Fund Equity:								
Retained Earnings	1,222	2,112	146	3,106	536	1,002	692	(39)
Reserve for Encumbrances	1	48	-	6	-	5	32	-
Total Fund Equity	1,223	2,160	146	3,112	536	1,007	724	(39)
Total Liabilities and Fund Equity	$ 1,299	$ 4,402	$ 268	$ 3,315	$ 953	$ 11,837	$ 869	$ 131

The notes to the financial statements are an integral part of this statement.

PROPERTY INS. RISK RETENTION	AUTOMOBILE DAMAGE RISK RETENTION	FLOOD INS. RISK RETENTION	RETAIL LIQUOR RISK RETENTION	INLAND MARINE	INSURANCE PREMIUM	AGENCY INSURANCE	OTHER	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
$ 91	$ 6	$ 17	$ 1	$ 5	$ 451	$ 3,921	$ 1,566	$ 8,691	$ 5,575
-	-	-	-	-	-	-	-	3,133	-
-	-	-	-	-	1	436	77	674	606
-	-	0	-	7	129	12	2,311	40	40
-	-	318	-	-	-	-	894	4,089	2,954
-	-	-	-	-	-	908	-	1,142	760
-	-	-	-	-	-	-	-	1,226	8,105
-	-	-	-	-	-	3,318	-	129	160
-	-	-	-	-	-	-	-	3,318	-
-	-	-	-	-	-	-	-	925	925
-	-	-	-	-	14	-	288	1,003	1,003
-	-	-	-	-	-	-	38,948	56,369	43,822
-	-	-	-	-	-	-	-	1,468	1,781
-	-	-	-	-	-	-	329	329	295
-	-	-	-	-	-	-	(16,964)	(22,391)	(19,937)
-	-	-	-	-	-	-	-	1	-
$ 91	$ 6	$ 338	$ 1	$ 12	$ 595	$ 8,595	$ 27,453	$ 60,165	$ 46,091
$ -	$ -	$ -	$ -	$ -	$ 3	$ -	$ 1,011	$ 1,853	$ 3,656
-	-	-	-	-	-	-	-	-	-
55	-	-	-	-	-	-	451	469	1,194
-	-	-	-	-	18	-	935	1,632	1,389
-	-	-	-	-	22	-	804	1,351	-
-	-	-	-	-	-	-	-	12,199	
-	-	-	-	-	-	-	11	11	11
-	-	-	-	-	-	-	118	118	6
-	-	-	-	-	-	138	-	138	-
55	-	-	-	-	43	138	3,330	17,771	6,256
36	6	338	1	12	417	8,457	23,772	41,816	38,984
-	-	-	-	-	135	-	351	578	851
36	6	338	1	12	552	8,457	24,123	42,394	39,835
$ 91	$ 6	$ 338	$ 1	$ 12	$ 595	$ 8,595	$ 27,453	$ 60,165	$ 46,091

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Fund Equity
All Internal Service Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	MOTOR POOL	CENTRAL DATA PROC.	LOCAL GOV. AUDITS	PRISON RANCH	PUBLICATIONS AND GRAPHICS	COMMUNI-CATIONS	BUILDINGS & GROUNDS	LIABILITY INS. RISK RETENTION
OPERATING REVENUES:								
Charges for Services	$ 738	$ 5,862	$ 685	$ 1,516	$ 1,520	$ 4,745	$ 2,347	$ -
Investment Earnings	-	-	-	-	-	1,157	-	-
Gifts & Grants	-	-	-	-	-	-	-	-
Total Operating Revenues	738	5,862	685	1,516	1,520	5,902	2,347	-
OPERATING EXPENSES:								
Personal Services	143	2,878	607	422	539	379	692	-
Contractual Services	40	69	19	29	15	38	602	309
Supplies and Materials	136	357	9	487	456	12	74	-
Depreciation	225	864	3	78	97	633	12	-
Benefits	-	-	-	-	-	-	-	1,200
Utilities and Rent	7	623	21	89	89	19	592	-
Communications	1	125	14	5	22	3,440	6	-
Repair and Maintenance	33	406	5	70	160	1	118	-
Other	3	269	140	157	58	990	40	-
Total Operating Expenses	588	5,591	818	1,337	1,436	5,512	2,136	1,509
Operating Income (Loss)	150	271	(133)	179	84	390	211	(1,509)
PRIOR YEAR ADJUSTMENTS	(19)	-	-	12	(6)	-	(8)	-
NONOPERATING REVENUES (EXPENSES):								
Gain on Sale of Fixed Assets	26	-	-	-	-	-	-	-
Reduction in Value of Livestock	-	-	-	(404)	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	4	-	-
Total Nonoperating Revenues (Expenses)	26	-	-	(404)	-	4	-	-
Income before Operating Transfers	157	271	(133)	(213)	78	394	203	(1,509)
PRIOR YEAR TRANSFERS ADJUST.	-	-	-	-	-	-	-	-
NET OPERATING TRANSFERS	-	-	-	-	-	-	25	1,299
Net Income (Loss)	157	271	(133)	(213)	78	394	228	(210)
FUND EQUITY - JULY 1 - AS Previously Stated	1,086	2,119	319	3,680	397	629	534	171
PRIOR PERIOD ADJUSTMENTS (See Note 3)	(20)	(230)	(40)	(355)	61	(16)	(38)	-
FUND EQUITY - July 1 - As Restated	1,066	1,889	279	3,325	458	613	496	171
RESIDUAL EQUITY TRANSFERS	-	-	-	-	-	-	-	-
FUND EQUITY - JUNE 30	$ 1,223	$ 2,160	$ 146	$ 3,112	$ 536	$ 1,007	$ 724	$ (39)

The notes to the financial statements are an integral part of this statement.

PROPERTY INS. RISK RETENTION	AUTOMOBILE DAMAGE RISK RETENTION	FLOOD INS. RISK RETENTION	RETAIL LIQUOR RISK RETENTION	INLAND MARINE	INSURANCE PREMIUM	AGENCY INSURANCE	OTHER	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
$ 49	$ 7	$ -	$ 13	$ -	$ 555	$ 1,437	$ 18,981	$ 38,455	$ 34,581
-	-	15	-	-	-	626	-	1,798	-
-	-	-	-	-	-	-	181	181	-
49	7	15	13	-	555	2,063	19,162	40,434	34,581
-	-	-	-	-	225	-	6,880	12,765	11,223
-	-	-	-	-	558	-	1,482	3,161	2,343
-	-	-	-	-	6	-	5,013	6,550	6,168
123	3	-	6	-	-	-	2,235	4,147	3,199
-	-	-	-	-	-	-	-	1,332	2,505
-	-	-	-	-	7	-	313	1,760	2,182
-	-	-	-	-	6	-	799	4,418	3,808
-	-	-	-	-	-	-	1,827	2,620	1,857
-	-	-	-	-	11	1	451	2,120	2,648
123	3	-	6	-	813	1	19,000	38,873	35,933
(74)	4	15	7	-	(258)	2,062	162	1,561	(1,352)
(116)	-	-	-	-	-	-	352	215	(916)
-	-	-	-	-	-	-	244	270	19
-	-	-	-	-	-	-	-	(404)	(435)
-	-	-	-	-	-	-	-	-	959
-	-	-	-	-	-	-	1,491	1,495	88
-	-	-	-	-	-	-	1,735	1,361	631
(190)	4	15	7	-	(258)	2,062	2,249	3,137	(1,637)
-	-	-	-	-	-	-	-	-	(1,079)
187	(85)	-	(114)	-	600	(1,887)	-	25	-
(3)	(81)	15	(107)	-	342	175	2,249	3,162	(2,716)
39	87	323	108	12	231	8,282	21,818	39,835	39,338
-	-	-	-	-	(21)	-	(444)	(1,103)	1,011
39	87	323	108	12	210	8,282	21,374	38,732	40,349
-	-	-	-	-	-	-	500	500	2,202
$ 36	$ 6	$ 332	$ 1	$ 12	$ 552	$ 8,457	$ 24,123	$ 42,394	$ 39,835

STATE OF MONTANA
Combining Statement of Changes in Financial Position
All Internal Service Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	MOTOR POOL	CENTRAL DATA PROCESSING	LOCAL GOV. AUDITS	PRISON RANCH	PUBLICATIONS AND GRAPHICS	COMMUNI-CATIONS	BUILDINGS & GROUNDS	LIABILITY INS. RISK RETENTION
SOURCES OF WORKING CAPITAL:								
Operations:								
Net Income (Loss)	$ 157	$ 271	$ (133)	$ (213)	$ 78	$ 394	$ 228	$ (210)
Items not Requiring Working Capital:								
Depreciation	225	864	3	78	97	633	12	-
Compensated Absence Accrual	20	279	60	52	36	34	45	-
Increase in Noncurrent Payables	-	493	-	-	154	-	-	-
Prior Period Adjustments (See Note 3)	(20)	(230)	(40)	(355)	61	(16)	(38)	-
Working Capital Provided by Operations	382	1,677	(110)	(438)	426	1,045	247	(210)
Decrease in Long-Term Investments	-	-	-	-	-	-	-	-
Reduction in Value of Livestock	-	-	-	-	-	-	-	-
Disposal of Fixed Assets	124	8	-	313	3	-	-	-
Decrease in Noncurrent Receivables	-	15	-	-	16	-	-	-
Increase in Noncurrent Payables	-	-	-	-	-	2,301	-	-
Transfers from Other Funds	-	-	-	-	-	-	-	-
Total Sources of Working Capital	506	1,700	(110)	(125)	445	3,346	247	(210)
USES OF WORKING CAPITAL:								
Purchase of Long-Term Investments	-	-	-	-	-	-	-	-
Acquisition of Fixed Assets	458	823	-	67	70	-	11	-
Decrease in Noncurrent Payables	-	674	-	-	392	373	-	-
Transfers to Other Funds	-	-	-	-	-	-	-	-
Increase in Noncurrent Receivables	-	-	-	-	-	-	-	-
Total Uses of Working Capital	458	1,497	-	67	462	373	11	-
Net Increase (Decrease) in Working Capital	$ 48	$ 203	$ (110)	$ (192)	$ (17)	$ 2,973	$ 236	$ (210)
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:								
Cash and Cash Equivalents	$ (94)	$ 315	$ (95)	$ (19)	$ (28)	$ (86)	$ 213	$ (202)
Receivables (Net)	(11)	(18)	15	(17)	(6)	2,952	(16)	-
Due from Other Funds	36	110	-	(120)	(11)	362	20	-
Due from Other Governments	-	1	-	-	-	-	-	-
Inventories	-	(10)	-	(29)	41	-	-	-
Advances to Investment Pool	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Interentity Loans Receivable	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	15	-
Accounts Payable	74	(174)	(3)	(44)	(8)	(239)	(16)	122
Due to Other Funds	28	(22)	(27)	37	(5)	(16)	20	(130)
Other Payables	-	-	-	-	-	-	-	-
Deferred Revenue	-	1	-	-	-	-	-	-
Property Held in Trust	-	-	-	-	-	-	-	-
Interentity Loans Payable	15	-	-	-	-	-	-	-
Net Increase (Decrease) in Working Capital	$ 48	$ 203	$ (110)	$ (192)	$ (17)	$ 2,973	$ 236	$ (210)

The notes to the financial statements are an integral part of this statement.

PROPERTY INS. RISK RETENTION	AUTOMOBILE DAMAGE RETENTION	FLOOD INS. RISK RETENTION	RETAIL LIQUOR RISK RETENTION	INLAND MARINE	INSURANCE PREMIUM	AGENCY INSURANCE	OTHER	TOTALS June 30, 1964	TOTALS June 30, 1963 (unaudited)
$ (3)	$ (81)	$ 15	$ (107)	$ -	$ 342	$ 175	$ 2,249	$ 3,162	$ (2,716)
-	-	-	-	-	-	-	2,235	4,147	3,199
-	-	-	-	-	22	-	801	1,349	-
-	-	-	-	-	-	-	-	647	-
-	-	-	-	-	(21)	-	(444)	(1,103)	1,011
(3)	(81)	15	(107)	-	343	175	4,841	8,202	1,494
-	-	-	-	-	-	8	-	8	-
-	-	-	-	-	-	-	-	-	435
-	-	-	-	-	-	-	281	729	686
-	-	-	-	-	-	-	32	63	-
-	-	-	-	-	-	-	-	2,301	344
-	-	-	-	-	-	-	500	500	2,399
(3)	(81)	15	(107)	-	343	183	5,654	11,803	5,358
-	-	-	-	-	-	3,327	-	3,327	-
-	-	-	-	-	14	-	4,826	6,269	6,291
-	-	-	-	-	-	-	5	1,444	776
-	-	-	-	-	-	-	-	-	197
-	-	-	-	-	-	-	32	32	-
-	-	-	-	-	14	3,327	4,863	11,072	7,264
$ (3)	$ (81)	$ 15	$ (107)	$ -	$ 329	$ (3,144)	$ 791	$ 731	$ (1,906)
$ (43)	$ (81)	$ (55)	$ (107)	$ (7)	$ 212	$ 3,574	$ (379)	$ 3,118	$ (1,798)
-	-	(2)	-	-	-	383	19	3,299	(1,681)
-	-	3	-	7	123	(15)	522	1,037	1,826
-	-	-	-	-	-	-	-	1	-
-	-	-	-	-	-	-	381	383	(17)
-	-	69	-	-	-	(6,948)	-	(6,879)	(966)
-	-	-	-	-	-	-	-	-	297
-	-	-	-	-	-	-	-	-	(64)
-	-	-	-	-	-	-	2	17	(19)
1	-	-	-	-	(2)	-	(199)	(488)	252
39	-	-	-	-	(4)	-	(150)	(230)	500
-	-	-	-	-	-	(138)	-	(138)	-
-	-	-	-	-	-	-	(3)	(2)	45
-	-	-	-	-	-	-	(202)	(202)	(6)
-	-	-	-	-	-	-	800	815	(275)
$ (3)	$ (81)	$ 15	$ (107)	$ -	$ 329	$ (3,144)	$ 791	$ 731	$ (1,906)

STATE OF MONTANA
Combining Balance Sheet
All Other Internal Service Funds
June 30, 1984
(Expressed in Thousands)

	JUSTICE LEGAL	COMMERCE LEGAL	FWP OFFICE SUPPLY	FWP EQUIPMENT	FWP WAREHOUSE INVENTORY	HIGHWAYS PHOTO & DATA PROC.	HIGHWAY EQUIPMENT
ASSETS							
Cash and Cash Equivalents	$ 45	$ 13	$ 35	$ 462	$ 10	$ 399	$ 34
Receivables (Net)	3	-	-	-	-	9	11
Due from Other Funds	30	37	3	126	16	265	1,404
Inventories	-	-	30	-	255	-	-
Buildings and Improvements	-	-	-	-	-	-	-
Equipment	43	-	67	3,401	-	1,793	33,109
Construction in Progress	-	-	-	-	-	-	329
Accumulated Depreciation	(7)	-	(21)	(1,596)	-	(1,171)	(14,050)
Other Assets	-	-	-	4	-	-	-
Total Assets	**$ 114**	**$ 50**	**$ 114**	**$ 2,397**	**$ 281**	**$ 1,295**	**$ 20,837**
LIABILITIES AND FUND EQUITY							
Liabilities:							
Accounts Payable & Accruals	$ 1	$ 1	$ 3	$ 85	$ 2	$ 30	$ 118
Interentity Loans Payable	-	-	25	-	75	-	-
Due to Other Funds	17	11	10	4	14	70	655
Compensated Absence Accrual	26	15	8	8	4	257	372
Deferred Revenue	-	-	-	-	-	-	-
Property Held in Trust	-	-	-	-	-	-	-
Total Liabilities	**44**	**27**	**46**	**97**	**95**	**357**	**1,145**
Fund Equity:							
Retained Earnings	70	23	68	2,299	183	931	19,419
Reserve for Encumbrances	-	-	-	1	3	7	273
Total Fund Equity	**70**	**23**	**68**	**2,300**	**186**	**938**	**19,692**
Total Liabilities and Fund Equity	**$ 114**	**$ 50**	**$ 114**	**$ 2,397**	**$ 281**	**$ 1,295**	**$ 20,837**

The notes to the financial statements are an integral part of this statement.

ADMIN CENTRAL STORES	ADMIN SURPLUS PROPERTY	COMMERCE DIRECTOR	COMMERCE CENTRAL SERVICES	MAIL AND MESSENGER	PERSONNEL TRAINING	INVESTMENT DIVISION	PRISON INDUSTRIES	AIRCRAFT OPERATIONS	SUBTOTAL
$ 80	$ 21	$ 2	$ 90	$ 13	$ 22	$ 191	$ 71	$ 78	$ 1,566
8	39	-	-	3	1	-	3	-	77
211	4	19	56	70	2	-	47	21	2,311
475	81	-	-	-	-	-	53	-	894
-	-	-	-	-	-	-	288	-	288
77	32	-	22	38	9	33	324	-	38,948
-	-	-	-	-	-	-	-	-	329
(15)	(3)	-	-	(12)	(3)	(10)	(76)	-	(16,964)
-	-	-	-	-	-	-	-	-	4
$ 836	$ 174	$ 21	$ 168	$ 112	$ 31	$ 214	$ 710	$ 99	$ 27,453
$ 613	$ 3	$ -	$ 4	$ 1	$ 7	$ 96	$ 34	$ 13	$ 1,011
-	-	-	-	-	-	-	351	-	451
15	13	9	38	12	3	32	32	-	935
10	9	14	25	13	9	29	6	-	804
-	-	-	-	-	-	-	11	-	11
1	-	-	117	-	-	-	-	-	118
639	25	23	184	26	18	157	434	13	3,330
197	149	(2)	(24)	86	12	11	264	36	23,772
-	-	-	8	-	1	46	12	-	351
197	149	(2)	(16)	86	13	57	276	86	24,123
$ 836	$ 174	$ 21	$ 168	$ 112	$ 31	$ 214	$ 710	$ 99	$ 27,453

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Fund Equity
All Other Internal Service Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	JUSTICE LEGAL	COMMERCE LEGAL	FWP OFFICE SUPPLY	FWP EQUIPMENT	FWP WAREHOUSE INVENTORY	HIGHWAYS PHOTO & DATA PROC	HIGHWAY EQUIPMENT
OPERATING REVENUES:							
Charges for Services	$ 407	$ 173	$ 136	$ 1,200	$ 207	$ 2,955	$ 9,478
Gifts and Grants	-	-	-	-	-	-	-
Total Operating Revenues	407	173	136	1,200	207	2,955	9,478
OPERATING EXPENSES:							
Personal Services	292	146	59	59	18	1,815	2,950
Contractual Services	42	-	1	51	3	614	230
Supplies and Materials	10	1	39	408	197	200	2,624
Depreciation	4	-	7	328		60	1,791
Utilities and Rent	16	1	3	5	1	19	125
Communications	4	3	81	-	1	28	52
Repair and Maintenance	3	-	15	232	-	60	1,391
Other	16	5	1	(2)	1	72	265
Total Operating Expenses	387	150	206	1,081	221	2,868	9,428
Operating Income (Loss)	20	23	(70)	119	(14)	87	50
PRIOR YEAR ADJUSTMENTS	(3)	-	7	59	2	(236)	514
NONOPERATING REVENUES (EXPENSES):							
Gain on Sale of Fixed Assets	-	-	-	67	-	-	177
Miscellaneous	-	-	74	3	-	7	1,326
Total Nonoperating Revenues (Expenses)	-	-	74	70	-	7	1,503
Net Income (Loss)	17	23	11	248	(12)	(142)	2,067
FUND EQUITY - JULY 1 - AS Previously Stated	31	-	64	2,060	201	806	17,754
PRIOR PERIOD ADJUSTMENTS (See Note 3)	22	-	(7)	(8)	(3)	(226)	(129)
FUND EQUITY - July 1 - As Restated	53	-	57	2,052	198	580	17,625
RESIDUAL EQUITY TRANSFERS	-	-	-	-	-	500	-
FUND EQUITY - JUNE 30	$ 70	$ 23	$ 68	$ 2,300	$ 186	$ 938	$ 19,692

The notes to the financial statements are an integral part of this statement.

ADMIN. CENTRAL STORES	ADMIN. SURPLUS PROPERTY	COMMERCE DIRECTOR	COMMERCE CENTRAL SERVICES	MAIL AND MESSENGER	PERSONNEL TRAINING	INVESTMENT DIVISION	PRISON INDUSTRIES	AIRCRAFT OPERATIONS	SUBTOTAL
$ 1,631	$ 236	$ 124	$ 399	$ 796	$ 42	$ 722	$ 324	$ 151	$ 18,981
-	-	-	-	-	-	-	181	-	181
1,631	236	124	399	796	42	722	505	151	19,162
147	110	104	328	153	25	484	196	-	6,880
22	9	3	73	14	9	403	8	-	1,482
1,321	30	2	1	4	7	5	110	34	5,013
9	2	-	-	3	-	-	31	-	2,235
35	44	5	11	19	-	16	13	-	313
7	4	5	8	591	1	12	2	-	790
23	1	-	4	3	-	1	25	69	1,627
(18)	39	11	6	-	3	28	24	-	451
1,546	239	130	431	787	45	949	429	103	19,000
85	(3)	(6)	(32)	9	(3)	(227)	76	48	162
(3)	27	-	20	-	-	2	(34)	(3)	352
-	-	-	-	-	-	-	-	-	244
-	81	-	-	-	-	-	-	-	1,491
-	81	-	-	-	-	-	-	-	1,735
82	105	(6)	(12)	9	(3)	(225)	42	45	2,249
124	50	12	22	89	17	310	237	41	21,818
(9)	(6)	(8)	(26)	(12)	(1)	(28)	(3)	-	(444)
115	44	4	(4)	77	16	282	234	41	21,374
-	-	-	-	-	-	-	-	-	500
$ 197	$ 149	$ (2)	$ (16)	$ 86	$ 13	$ 57	$ 276	$ 86	$ 24,123

STATE OF MONTANA
Combined Statement of Changes in Financial Position
All Other Internal Service Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	JUSTICE LEGAL	COMMERCE LEGAL	FWP OFFICE SUPPLY	FWP EQUIPMENT	FWP WAREHOUSE INVENTORY	HIGHWAYS PHOTO & DATA PROC.	HIGHWAY EQUIPMENT
SOURCES OF WORKING CAPITAL:							
Operations:							
Net Income (Loss)	$ 17	$ 23	$ 11	$ 248	$ (12)	$ (142)	$ 2,067
Items not Requiring Working Capital:							
Depreciation	4	-	7	328	-	60	1,791
Compensated Absence Accrual	26	15	8	8	3	257	372
Prior Period Adjustments (See Note 3)	22	-	(7)	(8)	(3)	(226)	(129)
Working Capital Provided by Operations	69	38	19	576	(12)	(51)	4,101
Disposal of Fixed Assets	-	-	16	70	-	48	144
Decrease in Noncurrent Receivables	-	-	-	-	-	-	-
Transfers from Other Funds	-	-	-	-	-	500	-
Total Sources of Working Capital	**69**	**38**	**35**	**646**	**(12)**	**497**	**4,245**
USES OF WORKING CAPITAL:							
Acquisition of Fixed Assets	40	-	25	788	-	64	3,625
Decrease in Noncurrent Payables	-	-	-	-	-	-	-
Increase in Noncurrent Receivables	-	-	-	-	-	-	-
Total Uses of Working Capital	**40**	**-**	**25**	**788**	**-**	**64**	**3,625**
Net Increase (Decrease) in Working Capital	**$ 29**	**$ 38**	**$ 10**	**$ (142)**	**$ (12)**	**$ 433**	**$ 620**
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:							
Cash and Cash Equivalents	$ 23	$ 13	$ 2	$ (227)	$ (19)	$ (108)	$ (38)
Receivables (Net)	2	38	-	-	-	(6)	(24)
Due from Other Funds	2	(1)	(1)	2	3	(30)	457
Inventories	-	-	6	-	17	-	-
Other Assets	-	-	-	3	-	-	-
Accounts Payable	7	(1)	5	79	-	8	76
Due to Other Funds	(5)	(11)	(2)	1	(13)	69	(151)
Deferred Revenue	-	-	-	-	-	-	-
Property Held in Trust	-	-	-	-	-	-	-
Interentity Loans Payable	-	-	-	-	-	500	300
Net Increase (Decrease) in Working Capital	**$ 29**	**$ 38**	**$ 10**	**$ (142)**	**$ (12)**	**$ 433**	**$ 620**

The notes to the financial statements are an integral part of this statement.

ADMIN CENTRAL STORES	ADMIN SURPLUS PROPERTY	COMMERCE DIRECTOR	COMMERCE CENTRAL SERVICES	MAIL AND MESSENGER	PERSONNEL TRAINING	INVESTMENT DIVISION	PRISON INDUSTRIES	AIRCRAFT OPERATIONS	SUBTOTAL
$ 82	$ 105	$ (6)	$ (12)	$ 9	$ (3)	$ (225)	$ 42	$ 45	$ 2,249
9	2	-	-	3	-	-	31	-	2,235
10	8	14	25	13	7	29	6	-	801
(9)	(6)	(8)	(26)	(12)	(1)	(28)	(3)	-	(444)
92	109	-	(13)	13	3	(224)	76	45	4,841
-	2	-	-	-	1	-	-	-	261
-	32	-	-	-	-	-	-	-	32
-	-	-	-	-	-	-	-	-	500
92	**143**	-	**(13)**	**13**	**4**	**(224)**	**76**	**45**	**5,654**
48	18	-	14	7	4	12	181	-	4,826
4	-	-	-	1	-	-	-	-	5
-	32	-	-	-	-	-	-	-	32
52	**50**	-	**14**	**8**	**4**	**12**	**181**	-	**4,863**
$ 40	**$ 93**	$ -	**$ (27)**	**$ 5**	$ -	**$ (236)**	**$ (105)**	**$ 45**	**$ 791**
$ 39	$ (1)	$ 1	$ 82	$ (17)	$ 8	$ (177)	$ (1)	$ 41	$ (379)
(6)	7	-	14	-	-	-	(21)	15	19
32	2	1	-	24	1	-	30	-	522
254	81	-	-	-	-	-	23	-	381
-	-	(1)	-	-	-	-	-	-	2
(280)	2	-	-	2	(7)	(56)	(23)	(11)	(199)
2	(4)	(1)	(6)	(4)	(2)	(3)	(20)	-	(150)
-	-	-	-	-	-	-	(3)	-	(3)
(1)	6	-	(117)	-	-	-	(90)	-	(202)
-	-	-	-	-	-	-	-	-	800
$ 40	**$ 93**	$ -	**$ (27)**	**$ 5**	$ -	**$ (236)**	**$ (105)**	**$ 45**	**$ 791**

EXPENDABLE TRUST FUNDS

Expendable Trust Funds are used to account for assets held by the State in a trustee capacity, where both the trust principal and earnings may be expended.

DESCRIPTION OF EXPENDABLE TRUST FUNDS
YEAR ENDED JUNE 30, 1984

Rural Development - This fund accounts for programs authorized under the Bankhead Jones Farm Tenant Act. Resources are used by the Department of Agriculture for the purpose of aiding low income rural families.

Hail Insurance - Any taxpayer engaged in the growing of crops subject to destruction by hail may participate in the State's hail insurance program. This fund accounts for premium assessments on crop acreage insured, administrative costs and benefits paid by the Department of Agriculture.

Unemployment Insurance - This fund accounts for employer contributions deposited with the Secretary of the Treasury of the United States to the credit of Montana's unemployment trust fund. Unemployment benefits are paid from this fund to eligible recipients. Administrative costs are paid from a special revenue fund.

State Compensation Insurance Fund - This fund accounts for employer contributions to the State operated workers' compensation insurance system and the payment of benefits to injured workers. Administrative costs of operating the fund are paid from a special revenue fund.

Other Expendable Trust Funds - This grouping includes eight funds:

Woodville Highway Replacement - This fund accounts for money paid to the State Department of Highways by the Anaconda Company. The money must be used to provide the government of Butte-Silver Bow with traffic facilities to replace the abandoned portion of U.S. Highway 91.

Uninsured Employers - This fund accounts for penalties assessed employers who do not carry workers' compensation insurance and benefits paid to injured employees of uninsured employers. Administrative costs are paid from a special revenue fund.

Subsequent Injury Fund - This fund, administered by the Department of Labor and Industry, accounts for amounts paid to persons certified as vocationally handicapped who are injured in the course of their employment.

Crime Victims Compensation - Eighteen percent of fines assessed and bails forfeited on offenses involving a violation of traffic codes are deposited in this fund and used to pay benefits to victims of crime. Costs of administering this fund are paid from a special revenue fund. This fund is also administered by the Department of Labor and Industry.

Fullam Estate - This fund accounts for money bequested to the Teachers' Retirement System to be used for the benefit of retired teachers.

Teachers Fellowship - This fund, administered by the Office of Public Instruction, accounts for a private contribution of money used to send teachers to study in Israel.

Historical Society General Trust - Deposits of the principal amounts of various stocks donated by numerous contributors in trust to the Society are accounted for in this fund. The principal can be expended for acquisitions approved by the Board of Trustees.

State Library Trust - This fund accounts for a bequest from the estate of a former patron to be expended as needed to benefit services for the blind and physically handicapped.

STATE OF MONTANA
Combining Balance Sheet
All Expendable Trust Funds
June 30, 1984
(Expressed in Thousands)

	RURAL DEVELOPMENT	HAIL INSURANCE	UNEMPLOYMENT INSURANCE	STATE COMP. INSURANCE	OTHER	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
ASSETS							
Cash and Cash Equivalents	$ 59	$ 193	$ 10,693	$ 826	$ 130	$ 11,901	$ 7,824
Receivables (Net)	-	1,906	3,191	9,708	253	15,058	12,147
Interentity Loans Receivable	-	-	237	-	-	237	237
Due from Other Funds	2	26	-	1	14	43	28
Long-Term Notes Receivable	1,521	-	-	186	-	1,707	1,681
Advances to Investment Pool	180	3,049	-	-	1,624	4,853	4,421
Investments	-	550	-	63,406	3,029	66,985	67,050
Other	-	-	-	2,505	-	2,505	2,403
Total Assets	**$ 1,762**	**$ 5,724**	**$ 14,121**	**$ 76,632**	**$ 5,050**	**$ 103,289**	**$ 95,791**
LIABILITIES AND FUND EQUITY							
Liabilities:							
Accounts Payable and Accruals	$ -	$ 3	$ 167	$ 167	$ 5	$ 342	$ 534
Due To Other Funds	3	11	-	-	-	14	38
Due to Other Governments	-	-	14,825	-	-	14,825	8,556
Deferred Revenue	-	1,905	192	1,102	27	3,226	2,822
Property Held in Trust	-	-	-	6,753	-	6,753	6,454
Total Liabilities	**3**	**1,919**	**15,184**	**8,022**	**32**	**25,160**	**18,404**
Fund Equity:							
Reserved for Encumbrances	1	5	-	-	-	6	-
Unreserved	1,758	3,800	(1,063)	68,610	5,018	78,123	77,387
Total Fund Equity	**1,759**	**3,805**	**(1,063)**	**68,610**	**5,018**	**78,129**	**77,387**
Total Liabilities and Fund Equity	**$ 1,762**	**$ 5,724**	**$ 14,121**	**$ 76,632**	**$ 5,050**	**$ 103,289**	**$ 95,791**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
All Expendable Trust Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	RURAL DEVELOPMENT	HAIL INSURANCE	UNEMPLOYMENT INSURANCE	STATE COMP. INSURANCE	OTHER	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
REVENUES:							
Licenses & Permits	$ -	$ -	$ -	$ -	$ -	$ -	$ 1
Service Fees and Fines	-	1,665	-	-	533	2,198	792
Investment Earnings	138	314	-	6,374	580	7,406	7,076
Fiduciary and Trust	-	-	56,627	37,202	64	93,893	104,341
Grants and Gifts	4	-	-	-	2	6	4
Federal	-	-	18,784	-	-	18,784	716
Total Revenues	142	1,979	75,411	43,576	1,179	122,287	112,930
EXPENDITURES:							
Transportation	-	-	-	-	171	171	833
Education and Cultural	-	-	-	-	2	2	6
Economic Development and Assistance	58	1,899	75,271	38,073	561	115,862	123,397
Total Expenditures	58	1,899	75,271	38,073	734	116,035	124,236
Excess of Revenues Over (Under) Expenditures	84	80	140	5,503	445	6,252	(11,306)
PRIOR YEAR ADJUSTMENTS	-	-	(533)	29	(27)	(531)	1,306
OTHER FINANCING SOURCES (USES):							
Net Operating Transfers	-	-	-	(4,844)	(176)	(5,020)	(3,111)
Total Other Financing Sources(Uses)	-	-	-	(4,844)	(176)	(5,020)	(3,111)
PRIOR YEAR TRANSFER ADJUSTMENTS	-	-	-	-	-	-	5,455
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	84	80	(393)	688	242	701	(7,656)
FUND BALANCES - July 1 - As Previously Stated	1,675	3,702	(670)	67,922	4,758	77,387	89,590
PRIOR PERIOD ADJUSTMENTS (See Note 3)	-	23	-	-	18	41	(4,547)
FUND BALANCES - July 1 - As Restated	1,675	3,725	(670)	67,922	4,776	77,428	85,043
FUND BALANCES - JUNE 30	$ 1,759	$ 3,805	$ (1,063)	$ 68,610	$ 5,018	$ 78,129	$ 77,387

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Balance Sheet
All Other Expendable Trust Funds
June 30, 1984
(Expressed in Thousands)

	WOODVILLE HIGHWAY	UNINSURED EMPLOYERS	SUBSEQUENT INJURY	CRIME VICTIMS COMPENSATION
ASSETS				
Cash and Cash Equivalents	$ 1	$ 25	$ 48	$ 52
Receivables (Net)	-	155	86	12
Due from Other Funds	8	2	2	2
Advances to Investment Pool	905	294	164	189
Investments	-	200	2,332	497
Total Assets	**$ 914**	**$ 676**	**$ 2,632**	**$ 752**
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts Payable and Accruals	$ -	$ -	$ -	$ 5
Deferred Revenue	-	-	21	6
Total Liabilities	-	-	21	11
Fund Equity:				
Fund Balance	914	676	2,611	741
Total Fund Equity	**914**	**676**	**2,611**	**741**
Total Liabilities and Fund Equity	**$ 914**	**$ 676**	**$ 2,632**	**$ 752**

The notes to the financial statements are an integral part of this statement.

FULLAM ESTATE	TEACHERS FELLOWSHIP	HISTORICAL SOCIETY GENERAL TRUST	STATE LIBRARY TRUST	SUBTOTAL
$ 1	$ -	$ 1	$ 2	$ 130
-	-	-	-	253
-	-	-	-	14
54	2	16	-	1,624
-	-	-	-	3,029
$ 55	$ 2	$ 17	$ 2	$ 5,050
$ -	$ -	$ -	$ -	$ 5
-	-	-	-	27
-	-	-	-	32
55	2	17	2	5,018
55	2	17	2	5,018
$ 55	$ 2	$ 17	$ 2	$ 5,050

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
All Other Expendable Trust Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	WOODVILLE HIGHWAY	UNISURED EMPLOYERS	SUBSEQUENT INJURY	CRIME VICTIMS COMPENSATION
REVENUES:				
Service Fees and Fines	$ -	$ 156	$ -	$ 377
Investment Earnings	87	50	365	71
Fiduciary and Trust	-	48	-	16
Grants and Gifts	-	-	-	-
Total Revenues	**87**	**254**	**365**	**464**
EXPENDITURES:				
Transportation	171	-	-	-
Education and Cultural	-	-	-	-
Economic Development and Assistance	-	1	219	341
Total Expenditures	**171**	**1**	**219**	**341**
Excess of Revenues Over (under) Expenditures	(84)	253	146	123
PRIOR YEAR ADJUSTMENTS	-	(27)	-	-
OTHER FINANCING SOURCES (USES):				
Net Operating Transfers	-	(119)	-	(57)
Total Other Financing Sources (Uses)	-	(119)	-	(57)
Excess of Revenues and other Sources over (under) Expenditures and Other Uses	**(84)**	**107**	**146**	**66**
FUND BALANCES - July 1 - As Previously Stated	995	569	2,465	675
PRIOR PERIOD ADJUSTMENTS (See Note 3)	3	-	-	-
FUND BALANCES - July 1 - As Restated	998	569	2,465	675
FUND BALANCES - JUNE 30	**$ 914**	**$ 676**	**$ 2,611**	**$ 741**

The notes to the financial statements are an integral part of this statement.

FULLAM ESTATE	TEACHERS FELLOWSHIP	HISTORICAL SOCIETY GENERAL TRUST	STATE LIBRARY TRUST	SUBTOTAL
$ -	$ -	$ -	$ -	$ 533
5	-	2	-	580
-	-	-	-	64
-	-	-	2	2
5	-	2	2	1,179
-	-	-	-	171
-	2	-	-	2
-	-	-	-	561
-	2	-	-	734
5	(2)	2	2	445
-	-	-	-	(27)
-	-	-	-	(176)
-	-	-	-	(176)
5	(2)	2	2	242
50	4	-	-	4,758
-	-	15	-	18
50	4	15	-	4,776
$ 55	$ 2	$ 17	$ 2	$ 5,018

NONEXPENDABLE TRUST FUNDS

Nonexpendable Trust Funds are used to account for assets held by the State in a trustee capacity, where the trust principal may not be expended.

DESCRIPTION OF NONEXPENDABLE TRUST FUNDS
YEAR ENDED JUNE 30, 1984

Permanent Coal Tax Trust - This fund, created by Article IX, Section 5 of the Montana Constitution and administered by the Department of Revenue, receives 50% of all coal tax collections. Fifteen percent of investment earnings on this fund remain in the trust and the remaining 85% goes to the General Fund. Principal may be expended only upon affirmative vote by three-fourths of each house of the Legislature.

Education Trust - The Department of Commerce administers this fund which receives twenty percent of all coal tax collections. The fund principal is held in trust for the purpose of supporting the public schools, vocational technical centers and university systems of the State. The Office of Public Instruction receives 67.5% of investment income which is paid to public schools through the State equalization aid program and 10% which is distributed to the vocational technical centers. The remaining 22.5% is distributed to institutions of higher learning through the Board of Regents.

Resource Indemnity Tax - Taxes paid by persons engaging in or carrying on the business of mining, extracting or producing a mineral are deposited in this fund. Only the net earnings of the trust may be appropriated until the principle reaches $100 million. Interest earnings are expended from a special revenue fund. This fund is administered by the Department of Natural Resources and Conservation.

Parks, Cultural and Aesthetic Projects - Two and one-half percent of coal taxes are credited to this fund under the administration of the Department of Revenue. Interest income from the trust is transferred to a special revenue fund. One-third of the investment income is used for cultural and aesthetic projects through the Montana Arts Council and two-thirds for the acquisition and maintenance of parks by the Department of Fish, Wildlife & Parks.

Land Grants - This fund accounts for lands granted to the State under control of the Department of State Lands for support of public schools and State institutions.

Other Nonexpendable Trust Funds - This group includes five funds:

Real Property Trust - Money received by the Department of Fish, Wildlife and Parks from the sale of real property, from exploration and development of oil, gas and mineral deposits, and from lease of department real property is deposited in this fund. Interest is transferred to a special revenue fund and used for developing and maintaining real property of the department.

Historical Society - Three funds administered by the Historical Society account for memorials, bequests and various other contributions to the society. Investment income is either expended from a special revenue fund or added to the principal.

Institution Care and Maintenance - This fund accounts for money held in trust pending settlement of a lawsuit. The suit challenges the Montana Department of Institution's authority to spend certain monies belonging to institution residents to help pay for their care.

STATE OF MONTANA
Combining Balance Sheet
All Nonexpendable Trust Funds
June 30, 1984
(Expressed in Thousands)

ASSETS	PERMANENT COAL TAX	EDUCATION	RESOURCE INDEMNITY	PARKS, CULTURAL, AESTHETIC	LAND GRANTS	OTHER	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
Cash and Cash Equivalents	$ 5	$ 2,477	$ 81	$ -	$ -	$ 4,195	$ 6,738	$ 10,003
Receivables (Net)	425	1,877	84	43	-	-	2,429	2,576
Due from Other Funds	1,349	1,080	602	14	1,574	-	4,619	3,800
Long Term Notes & Loans Receivable	178	-	-	-	634	-	812	-
Advances to Investment Pool	20,248	1,459	429	1,769	165,833	101	189,839	32,524
Other Advances	-	-	-	-	-	-	-	153,899
Investments	182,171	58,209	41,847	9,739	-	-	291,966	221,324
Land	-	-	-	-	49,399	-	49,399	49,399
Total Assets	$ 204,376	$ 65,102	$ 43,023	$ 11,565	$ 217,440	$ 4,296	$ 545,802	$ 473,525
LIABILITIES AND FUND EQUITY								
Liabilities:								
Due to Other Funds	$ 333	$ 4,258	$ 74	$ 13	$ 406	$ 1,037	$ 6,121	$ 9,307
Deferred Revenue	-	-	2	-	-	-	2	7
Property Held in Trust	-	-	-	-	-	2,834	2,834	2,034
Total Liabilities	333	4,258	76	13	406	3,871	8,957	11,348
Fund Equity:								
Reserved for Special Trusts	204,043	60,787	42,947	11,552	217,034	419	536,782	462,177
Unreserved	-	57	-	-	-	6	63	-
Total Fund Equity	204,043	60,844	42,947	11,552	217,034	425	536,845	462,177
Total Liabilities and Fund Equity	$ 204,376	$ 65,102	$ 43,023	$ 11,565	$ 217,440	$ 4,296	$ 545,802	$ 473,525

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Fund Balances
All Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	PERMANENT COAL TAX	EDUCATION	RESOURCE INDEMNITY	PARKS, CULTURAL, AESTHETIC PROJECTS	LAND GRANTS	OTHER	TOTALS June 30, 1984	TOTALS June 30, 1983
OPERATING REVENUES:								
Taxes	$ 31,059	$ 8,283	$ 6,677	$ 2,071	$ -	$ -	$ 48,090	$ 59,837
Investment Earnings	4,275	9,235	-	-	2,067	9	15,586	8,008
Gifts	-	-	-	-	-	-	-	373
Other - Rentals and Leases	-	-	-	-	9,963	281	10,244	10,124
Total Operating Revenues	35,334	17,518	6,677	2,071	12,030	290	73,920	78,342
OPERATING EXPENSES	-	-	-	-	-	5	5	2
Operating Income	35,334	17,518	6,677	2,071	12,030	285	73,915	78,340
PRIOR YEAR ADJUSTMENTS	-	23	16	-	-	-	39	2,925
NONOPERATING REVENUES:								
Sale of Property	-	-	-	-	176	-	176	207
Miscellaneous	-	-	-	-	131	-	131	-
Total Nonoperating Revenues	-	-	-	-	307	-	307	207
Income before Operating Transfers	35,334	17,541	6,693	2,071	12,337	285	74,261	81,472
NET OPERATING TRANSFERS	10,351	(9,333)	-	-	-	-	1,018	(5,936)
PRIOR YEAR TRANSFER ADJUST.	-	(102)	-	-	-	-	(102)	(3,331)
Net Income (Loss)	45,685	8,106	6,693	2,071	12,337	285	75,177	72,205
FUND BALANCE - July 1 - As Previously Stated	158,358	52,738	36,254	9,481	205,191	155	462,177	389,415
PRIOR PERIOD ADJUSTMENTS (See Note 3)	-	-	-	-	-	(15)	(15)	560
FUND BALANCE - July 1 - As Restated	158,358	52,738	36,254	9,481	205,191	140	462,162	389,975
RESIDUAL EQUITY TRANSFERS	-	-	-	-	(494)	-	(494)	(3)
FUND BALANCE - June 30	$ 204,043	$ 60,844	$ 42,947	$ 11,552	$ 217,034	$ 425	$ 536,845	$ 462,177

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Statement of Changes in Financial Position
All Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	PERMANENT COAL TAX	EDUCATION	RESOURCE INDEMNITY	PARKS, CULTURAL, AESTHETIC PROJECTS	LAND GRANTS	OTHER	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
SOURCES OF WORKING CAPITAL:								
Operations:								
Net Income (Loss)	$ 45,635	$ 8,106	$ 6,693	$ 2,071	$ 12,337	$ 285	$ 75,177	$ 72,205
Items not Requiring Working Capital:								
Prior Period Adjustments (See Note 3)	-	-	-	-	-	(15)	(15)	560
Loss on Securities Exchanged	-	-	-	-	-	-	-	1,365
Working Capital Provided by Operations	45,685	8,106	6,693	2,071	12,337	270	75,162	74,130
Sale of Long-Term Investments	38,396	11,911	7,775	385	-	-	58,467	39,012
Decrease in Noncurrent Receivables	2	-	-	-	118	-	120	115
Total Sources of Working Capital	**84,083**	**20,017**	**14,468**	**2,456**	**12,455**	**270**	**133,749**	**113,257**
USES OF WORKING CAPITAL:								
Decrease in Noncurrent Payables	-	-	-	-	-	-	-	711
Purchase of Long Term Investments	79,972	20,735	17,762	10,124	-	-	128,593	88,902
Transfers to Other Funds	-	-	-	-	494	-	494	3
Increase in Noncurrent Receivables	180	-	-	-	-	-	180	-
Total Uses of Working Capital	**80,152**	**20,735**	**17,762**	**10,124**	**494**	**-**	**129,267**	**89,616**
Net Increase (Decrease) in Working Capital	**$ 3,931**	**$ (718)**	**$ (3,294)**	**$ (7,668)**	**$ 11,961**	**$ 270**	**$ 4,482**	**$ 23,641**
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:								
Cash and Cash Equivalents	$ (102)	$ (4,666)	$ (45)	$ -	$ (64)	$ 2,131	$ (2,746)	$ 4,767
Receivables (Net)	281	275	4	43	-	-	603	1,412
Due from Other Funds	1,347	315	(970)	14	121	1,027	1,854	3,772
Advances to Investment Pool	2,364	102	(3,260)	(7,712)	11,935	(14)	3,415	10,104
Other Assets	-	-	-	-	-	-	-	12,689
Interentity Loans Payable	-	-	-	-	-	-	-	28
Due to Other Funds	41	3,256	972	(13)	(31)	-	4,225	(9,041)
Due to Other Governments	-	-	-	-	-	-	-	(83)
Deferred Revenue	-	-	5	-	-	-	5	(7)
Property Held in Trust	-	-	-	-	-	(2,874)	(2,874)	-
Net Increase (Decrease) in Working Capital	**$ 3,931**	**$ (718)**	**$ (3,294)**	**$ (7,668)**	**$ 11,961**	**$ 270**	**$ 4,482**	**$ 23,641**

he notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Balance Sheet
All Other Nonexpendable Trust Funds
June 30, 1984
(Expressed in Thousands)

	REAL PROPERTY	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT WHEELER	INSTITUTION CARE AND MAINTENANCE	SUBTOTAL
ASSETS						
Cash and Cash Equivalents	$ 319	$ 2	$ 3	$ -	$ 3,871	$ 4,195
Advances to Investment Pool	-	48	42	11	-	101
Total Assets	**$ 319**	**$ 50**	**$ 45**	**$ 11**	**$ 3,871**	**$ 4,296**
LIABILITIES AND FUND EQUITY						
Liabilities:						
Due to Other Funds	$ -	$ -	$ -	$ -	$ 1,037	$ 1,037
Property Held in Trust	-	-	-	-	2,834	2,834
Total Liabilities	-	-	-	-	3,871	3,871
Fund Equity:						
Reserved for Special Trusts	319	44	45	11	-	419
Unreserved	-	6	-	-	-	6
Total Fund Equity	319	50	45	11	-	425
Total Liabilities and Fund Equity	**$ 319**	**$ 50**	**$ 45**	**$ 11**	**$ 3,871**	**$ 4,296**

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Fund Balances
All Other Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	REAL PROPERTY	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT WHEELER	HISTORICAL SOCIETY GENERAL TRUST	SUBTOTAL
OPERATING REVENUES:						
Investment Earnings	$ -	$ 5	$ 4	$ -	$ -	$ 9
Other - Rentals and Leases	281	-	-	-	-	281
Total Operating Revenues	281	5	4	-	-	290
OPERATING EXPENSES	-	5	-	-	-	5
Net Income (Loss)	281	-	4	-	-	285
FUND BALANCE - July 1 - As Previously Stated	38	50	41	11	15	155
PRIOR PERIOD ADJUSTMENTS (See Note 3)	-	-	-	-	(15)	(15)
FUND BALANCE - July 1 - As Restated	38	50	41	11	-	140
FUND BALANCE - June 30	$ 319	$ 50	$ 45	$ 11	$ -	$ 425

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combining Statement of Changes in Financial Position
All Other Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	REAL PROPERTY	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	HISTORICAL SOCIETY GENERAL TRUST	INSTITUTION CARE AND MAINTENANCE	SUBTOTAL
SOURCES OF WORKING CAPITAL:						
Operations:						
Net Income (Loss)	$ 281	$ -	$ 4	$ -	$ -	$ 285
Items not Requiring Working Capital:						
Prior Period Adjustments (See Note 3)	-	-	-	(15)	-	(15)
Working Capital Provided by Operations	281	-	4	(15)	-	270
Total Sources of Working Capital	**281**	-	**4**	(15)	-	**270**
Net Increase (Decrease) in Working Capital	**$ 281**	**$ -**	**$ 4**	**$ (15)**	**$ -**	**$ 270**
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:						
Cash and Cash Equivalents	$ 286	$ 1	$ 2	$ -	$ 1,842	$ 2,131
Due from Other Funds	(5)	-	-	-	1,032	1,027
Advances to Investment Pool	-	(1)	2	(15)	-	(14)
Property Held in Trust	-	-	-	-	(2,874)	(2,874)
Net Increase (Decrease) in Working Capital	**$ 281**	**$ -**	**$ 4**	**$ (15)**	**$ -**	**$ 270**

The notes to the financial statements are an integral part of this statement.

PENSION TRUST FUNDS

The Pension Trust Funds are used to account for public employee retirement systems.

DESCRIPTION OF
PENSION TRUST FUNDS
YEAR ENDED JUNE 30, 1984

Teachers Retirement System - The fund accounts for resources used to provide financial benefits to members of the public teaching profession after their retirement or upon becoming disabled. The system is funded from employer and employee contributions. This fund also accounts for administrative costs of the system.

Public Employees Retirement System (PERS) - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to qualified employees of the State of Montana. This fund also accounts for the administrative costs of the Public Employees Retirement Division, Department of Administration, which administers the activities of PERS and the following seven retirement systems. These costs are paid from investment earnings on State employee social security withholdings.

Municipal Police Officers' Retirement System - This fund accounts for resources used to pay retirement, disability and death benefits to qualifying police officers employed by first and second class cities. The system is funded from member and city contributions.

Game Wardens' Retirement System - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to game wardens employed by the State. In addition to employer and employee contributions, this fund receives fines and forfeitures generated from fish and wildlife violations.

Sheriff's Retirement System - This fund accounts for member and county contributions to pay retirement, disability and death benefits to qualifying sheriffs.

Judges' Retirement System - This fund accounts for member and State contributions used to pay retirement, disability and death benefits to Montana's judges. The system is also funded from a percentage of court fees collected.

Highway Patrolmen's Retirement System - This fund accounts for pension benefits paid to Montana's Highway Patrolmen.

Volunteer Firefighters' Compensation Fund - This fund accounts for benefit payments to qualified volunteer firefighters. Benefit payments are based upon the amount of insurance premium taxes collected in the preceding year.

Unified Firefighters' Retirement System - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to firefighters employed by first and second class cities and other cities electing coverage. In addition to employer and employee contributions, the State contributes a portion of insurance premium taxes collected.

STATE OF MONTANA
Combining Balance Sheet
All Pension Trust Funds
June 30, 1984
(Expressed in Thousands)

	TEACHERS	PERS	MUNICIPAL POLICE	GAME WARDENS
ASSETS				
Cash and Cash Equivalents	$ 8,100	$ 5,499	$ 71	$ 3
Receivables (Net)	11,848	11,023	577	159
Due from Other Funds	499	276	2,119	30
Inventories	-	7	-	-
Advances to Investment Pool	43,751	51,770	736	409
Investments	260,581	346,964	12,991	4,499
Deferred Gains & Losses	11,078	15,959	171	189
Land	35	25	-	-
Buildings and Improvements	159	183	-	-
Equipment	22	56	-	-
Accumulated Depreciation	(68)	(90)	-	-
Total Assets	**$ 336,005**	**$ 431,672**	**$ 16,665**	**$ 5,289**
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts Payable & Accruals	$ 905	$ 475	$ -	$ -
Due to Other Funds	43	45	-	-
Compensated Absence Accrual	21	46	-	-
Deferred Revenue	-	-	-	-
Total Liabilities	**969**	**566**	**-**	**-**
Fund Equity:				
Reserved For:				
Encumbrances	2	64	-	-
Retirement System	335,034	431,042	16,665	5,289
Total Fund Equity	**335,036**	**431,106**	**16,665**	**5,289**
Total Liabilities and Fund Equity	**$ 336,005**	**$ 431,672**	**$ 16,665**	**$ 5,289**

The notes to the financial statements are an integral part of this statement.

SHERIFFS	JUDGES	HIGHWAY PATROL	VOLUNTEER FIREMEN	UNIFIED FIREFIGHTERS	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
$ 30	$ 50	$ 25	$ 1	$ 628	$ 14,407	$ 15,983
470	129	298	88	420	25,012	25,739
8	1	2	341	2,342	5,618	1,576
-	-	-	-	-	7	8
1,585	556	994	366	2,829	102,996	90,264
10,905	4,732	9,811	2,964	8,248	661,695	595,943
232	73	330	63	(64)	28,031	-
-	-	-	-	-	60	35
-	-	-	-	-	342	158
-	-	-	-	-	78	79
-	-	-	-	-	(158)	(79)
$ 13,230	**$ 5,541**	**$ 11,460**	**$ 3,823**	**$ 14,403**	**$ 838,088**	**$ 729,706**
$ 12	$ -	$ -	$ -	$ -	$ 1,392	$ 922
-	-	-	-	-	88	56
-	-	-	-	-	67	-
-	-	-	-	-	-	181
12	-	-	-	-	1,547	1,159
-	-	-	-	-	66	37
13,218	5,541	11,460	3,823	14,403	836,475	728,510
13,218	**5,541**	**11,460**	**3,823**	**14,403**	**836,541**	**728,547**
$ 13,230	**$ 5,541**	**$ 11,460**	**$ 3,823**	**$ 14,403**	**$ 838,088**	**$ 729,706**

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Fund Balances
All Pension Trust Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	TEACHERS	PERS	MUNICIPAL POLICE	GAME WARDENS
OPERATING REVENUES:				
Contributions	$ 49,162	$ 47,781	$ 1,787	$ 301
Investment Earnings	30,297	41,547	1,560	494
Charges for Services	-	-	-	-
Other	37	12	-	-
Total Operating Revenues	**79,496**	**89,340**	**3,347**	**795**
OPERATING EXPENSES:				
Personal Services	186	466	-	-
Contractual Services	248	121	-	-
Supplies and Materials	5	19	-	-
Benefits	28,791	29,134	2,926	299
Depreciation	5	10	-	-
Utilities and Rent	27	7	-	-
Communications	22	43	-	-
Repair & Maintenance	1	8	-	-
Refunds	4,231	6,839	71	-
Investment Administration	101	135	5	2
Other	7	45	-	-
Total Operating Expenses	**33,624**	**36,827**	**3,002**	**301**
Operating Income	45,872	52,513	345	494
PRIOR YEAR ADJUSTMENTS	(488)	(176)	73	2
Income Before Operating Transfers	45,384	52,337	418	496
NET OPERATING TRANSFERS	-	-	2,116	273
PRIOR YEAR TRANSFER ADJUSTMENTS	-	-	-	-
Net Income (Loss)	**45,384**	**52,337**	**2,534**	**769**
FUND BALANCE - July 1 - As Previously Stated	289,675	378,691	14,709	4,520
PRIOR PERIOD ADJUSTMENTS (See Note 3)	(23)	75	(584)	-
FUND BALANCE - July 1 - As Restated	289,652	378,766	14,125	4,520
RESIDUAL EQUITY TRANSFER	-	3	6	-
FUND BALANCE - June 30	**$ 335,036**	**$ 431,106**	**$ 16,665**	**$ 5,289**

The notes to the financial statements are an integral part of this statement.

SHERIFFS	JUDGES	HIGHWAY PATROL	VOLUNTEER FIREMEN	UNIFIED FIRE-FIGHTERS	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
$ 1,558	$ 782	$ 1,157	$ -	$ 2,002	$ 104,530	$ 99,201
1,351	524	1,088	365	1,366	78,592	66,486
-	-	-	-	-	-	675
-	-	-	-	-	49	60
2,909	**1,306**	**2,245**	**365**	**3,368**	**183,171**	**166,422**
-	-	-	-	-	652	761
-	-	-	-	-	369	160
-	-	-	-	-	24	10
223	410	806	401	2,996	65,986	58,355
-	-	-	-	-	15	10
-	-	-	-	-	34	46
-	-	-	-	-	65	-
-	-	-	-	-	9	-
279	-	12	-	48	11,480	9,302
4	2	3	1	3	256	-
-	-	-	18	-	70	360
506	**412**	**821**	**420**	**3,047**	**78,960**	**69,504**
2,403	894	1,424	(55)	321	104,211	96,918
-	-	3	369	3	(214)	(86)
2,403	894	1,427	314	324	103,997	96,832
-	-	-	339	2,342	5,070	25
-	-	-	-	-	-	(196)
2,403	**894**	**1,427**	**653**	**2,666**	**109,067**	**96,661**
10,800	4,647	10,033	3,170	12,302	728,547	619,327
24	-	-	-	(565)	(1,073)	12,559
10,824	4,647	10,033	3,170	11,737	727,474	631,886
(9)	-	-	-	-	-	-
$ 13,218	**$ 5,541**	**$ 11,460**	**$ 3,823**	**$ 14,403**	**$ 836,541**	**$ 728,547**

STATE OF MONTANA
Combining Statement of Changes in Financial Position
All Pension Trust Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	TEACHERS	PERS	MUNICIPAL POLICE	GAME WARDENS
SOURCES OF WORKING CAPITAL:				
Operations:				
Net Income (Loss)	$ 45,384	$ 52,337	$ 2,534	$ 769
Items not Requiring Working Capital:				
Depreciation	5	10	-	-
Compensated Absence Accrual	21	46	-	-
Amortization of Net Loss (Gain) on Securities Exchanged	1,020	1,287	11	15
Prior Period Adjustments (See Note 3)	(23)	75	(584)	-
Working Capital Provided by Operations	46,407	53,755	1,961	784
Transfers From Other Funds	-	3	6	-
Sale of Long-Term Investments	60,613	55,987	1,121	835
Disposal of Fixed Assets	1	-	-	-
Total Sources of Working Capital	**107,021**	**109,745**	**3,088**	**1,619**
USES OF WORKING CAPITAL:				
Transfers to Other Funds	-	-	-	-
Acquisition of Fixed Assets	3	142	-	-
Purchase of Long-Term Investments	98,493	103,650	2,940	1,533
Total Uses of Working Capital	**98,496**	**103,792**	**2,940**	**1,533**
Net Increase (Decrease) in Working Capital	**$ 8,525**	**$ 5,953**	**$ 148**	**$ 86**
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:				
Cash and Cash Equivalents	$ 1,642	$ (962)	$ 25	$ (14)
Receivables (Net)	2,198	1,666	(2,434)	30
Due from Other Funds	66	(792)	2,119	7
Inventories	-	(1)	-	-
Advances to Investment Pool	4,999	5,998	437	63
Accounts Payable	(387)	(81)	1	-
Due to Other Funds	(27)	(5)	-	-
Deferred Revenue	34	130	-	-
Other Payables	-	-	-	-
Net Increase (Decrease) in Working Capital	**$ 8,525**	**$ 5,953**	**$ 148**	**$ 86**

The notes to the financial statements are an integral part of this statement.

SHERIFFS	JUDGES	HIGHWAY PATROL	VOLUNTEER FIREMEN	UNIFIED FIRE-FIGHTERS	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
$ 2,403	$ 894	$ 1,427	$ 653	$ 2,666	$ 109,067	$ 96,661
-	-	-	-	-	15	10
-	-	-	-	-	67	-
10	3	40	9	(4)	2,391	2,286
24	-	-	-	(565)	(1,073)	12,559
2,437	897	1,467	662	2,097	110,467	111,516
-	-	-	-	-	9	-
3,479	547	1,043	1,596	881	126,102	110,052
-	-	-	-	-	1	-
5,916	**1,444**	**2,510**	**2,258**	**2,978**	**236,579**	**221,568**
9	-	-	-	-	9	-
-	-	-	-	-	145	204
5,369	1,271	2,321	1,711	2,572	219,860	214,590
5,378	**1,271**	**2,321**	**1,711**	**2,572**	**220,014**	**214,794**
$ 538	**$ 173**	**$ 189**	**$ 547**	**$ 406**	**$ 16,565**	**$ 6,774**
$ 9	$ 6	$ (23)	$ (28)	$ 186	$ 841	$ (7,924)
80	27	44	(5)	(2,336)	(73)	15,045
8	(7)	(41)	341	2,342	4,043	5,563
-	-	-	-	-	(1)	8
452	137	209	239	199	12,733	(1,928)
(11)	10	-	-	-	(468)	229
-	-	-	-	-	(32)	(4,043)
-	-	-	-	15	179	(181)
-	-	-	-	-	-	5
$ 538	**$ 173**	**$ 189**	**$ 547**	**$ 406**	**$ 16,565**	**$ 6,774**

AGENCY FUNDS

The Agency Funds are used to account for assets held by the State as an agent for individuals, private organizations, other governments, and other funds.

DESCRIPTION OF AGENCY FUNDS
YEAR ENDED JUNE 30, 1984

Warrants Payable - This fund reports the amount of warrants authorized by agency claims but not written and mailed by fiscal year end.

Unclaimed Property - This fund accounts for property held by six State agencies pending claim by the person entitled thereto. It includes, for example, proceeds from the sale of abandoned property, escheated and undistributed estates, stale-dated State warrants and unclaimed wages.

Employees Deferred Compensation - State employees may defer a part of their compensation for the purpose of investment. This fund accounts for employee withholdings transferred to investing entities for allocation to employee designated investment plans.

Intergovernmental - This fund accounts for resources that flow through State agencies to Federal and local governments.

Uncleared Collections - This fund accounts for resources held pending distribution to other funds and local governments. Amounts due to other State funds have been recorded as a receivable and revenue in those funds.

Land Grant Interest and Income - This fund accounts for interest and income earnings on nonexpendable trusts administered by the Department of State Lands pending distribution to units of the university system and State institutions.

Architecture and Engineering Advances - This fund accounts for monies advanced by other agencies to the Department of Administration's Architecture and Engineering Division for minor capital projects. The capital outlay expenditures are recorded in the funds which advanced the money.

Central Payroll - This fund accounts for the accumulation of State employees' payroll and withholdings by the State Auditor's Office pending remittance to employees and other appropriate third parties.

Investment Pool - This fund accounts for idle cash invested on a pooled basis. Investment earnings are accounted for as revenue in either the fund providing the cash for investment or in the fund from which the earnings will be expended.

Other Agency Funds - This grouping includes seven funds:

Bank Liquidation - This fund accounts for bank assets placed under control of the Department of Commerce pending the bank's liquidation.

Child Support Collections - This fund accounts for payments from parents under the Child Support Enforcement Program, Department of Revenue.

Bad Debts and Dishonored Checks - This fund, administered by the Department of Revenue, accounts for amounts due to the State which have been written off as uncollectible by the receiving agency. The Department of Revenue continues to attempt to collect amounts owing for a period of time after they are deemed uncollectible by the receiving agency.

Performance and Other Deposits - This fund accounts for deposits held by the State pending compliance with performance agreements.

Custodial Accounts - Monies belonging to State institution residents, students of the School for the Deaf and Blind and participants in the foster children and protective services programs are accounted for in this fund.

Vo-Tech Additional Millage - This fund accounts for taxes received as a result of optional county-wide levies. The taxes are used to pay Vocational Technical Center instructors' salaries that exceed those authorized under the State's pay plan.

Industrial Insurance Liquidation - This fund, administered by the Division of Workers' Compensation, Department of Labor & Industry, accounts for surety bonds, converting the bonds into cash to liquidate liabilities as necessary.

STATE OF MONTANA
Combining Balance Sheet
All Agency Funds
June 30, 1984
(Expressed in Thousands)

	WARRANTS PAYABLE	UNCLAIMED PROPERTY	EMPLOYEES DEF. COMP.	INTER-GOVERNMENTAL	UNCLEARED COLLECTIONS
ASSETS					
Cash & Cash Equivalents	$ 1,874	$ 932	$ 156	$ 13,358	$ 2,475
Receivables (Net)	47,884	206	-	39	711
Due from Other Funds	-	2	59	32	31
Due from Other Governments	-	-	-	318	5
Advances to Investment Pool	-	-	-	-	-
Investments	-	-	20,413	648	-
Other Assets	-	-	-	3	-
Total Assets	**$ 49,758**	**$ 1,140**	**$ 20,628**	**$ 14,398**	**$ 3,222**
LIABILITIES					
Accounts Payable & Accruals	$ -	$ 1	$ -	$ 1,518	$ 409
Due to Other Funds	-	5	-	90	2,269
Due to Other Governments	-	-	-	12,770	461
Other Payables	49,758	359	-	-	-
Property Held in Trust	-	775	20,628	20	83
Deferred Revenues	-	-	-	-	-
Allowance for Realized Gains (Losses)	-	-	-	-	-
Total Liabilities	**$ 49,758**	**$ 1,140**	**$ 20,628**	**$ 14,398**	**$ 3,222**

The notes to the financial statements are an integral part of this statement.

LAND GRANT INTEREST	A & E ADVANCES	CENTRAL PAYROLL	INVESTMENT POOL	OTHER	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
$ 14,835	$ 389	$ 1,594	$ 296,632	$ 7,493	$ 339,738	$ 363,360
348	-	-	12,673	2	61,863	10,130
10,090	54	14,130	10,109	3	34,510	32,109
-	-	-	-	-	323	52
4,285	-	-	-	34	4,319	7,114
2,481	-	-	196,835	-	220,377	164,845
-	-	-	-	15,769	15,772	15,878
$ 32,039	**$ 443**	**$ 15,724**	**$ 516,249**	**$ 23,301**	**$ 676,902**	**$ 593,488**
$ 11	$ 111	$ 5,814	$ 68	$ 125	$ 8,057	$ 5,416
32,028	6	575	20,818	277	56,068	48,107
-	-	-	-	-	13,231	7,606
-	326	9,335	500,645	1,279	561,702	493,684
-	-	-	-	21,620	43,126	35,873
-	-	-	-	-	-	2,802
-	-	-	(5,282)	-	(5,282)	-
$ 32,039	**$ 443**	**$ 15,724**	**$ 516,249**	**$ 23,301**	**$ 676,902**	**$ 593,488**

STATE OF MONTANA
Combining Balance Sheet
All Other Agency Funds
June 30, 1984
(Expressed in Thousands)

	BANK LIQUIDATION	CHILD SUPPORT COLLECTIONS	BAD DEBTS	DEPOSITS
ASSETS				
Cash & Cash Equivalents	$ 28	$ 407	$ 11	$ 5,986
Receivables (Net)	-	-	-	2
Due from Other Funds	-	-	2	-
Advances to Investment Pool	-	-	-	-
Other Assets	-	-	-	2,115
Total Assets	**$ 28**	**$ 407**	**$ 13**	**$ 8,103**
LIABILITIES				
Accounts Payable & Accruals	$ -	$ 17	$ -	$ 105
Due to Other Funds	-	6	4	178
Other Payables	-	-	-	1,279
Property Held in Trust	28	384	9	6,541
Total Liabilities	**$ 28**	**$ 407**	**$ 13**	**$ 8,103**

The notes to the financial statements are an integral part of this statement.

CUSTODIAL ACCOUNTS	VO-TECH ADDITIONAL MILLAGE	INDUSTRIAL INSURANCE LIQUIDATION	SUBTOTAL
$ 762	$ 299	$ -	$ 7,493
-	-	-	2
1	-	-	3
34	-	-	34
-	-	13,654	15,769
$ 797	**$ 299**	**$ 13,654**	**$ 23,301**
$ 3	$ -	$ -	$ 125
1	88	-	277
-	-	-	1,279
793	211	13,654	21,620
$ 797	**$ 299**	**$ 13,654**	**$ 23,301**

STATE OF MONTANA
Combining Balance Sheet
All Trust and Agency Fund Types
June 30, 1984
(Expressed in Thousands)

	AGENCY	EXPENDABLE TRUSTS	NON-EXPENDABLE TRUSTS	PENSION TRUSTS	TOTALS June 30, 1984	TOTALS June 30, 1983 (unaudited)
ASSETS						
Cash and Cash Equivalents	$ 339,738	$ 11,901	$ 6,738	$ 14,407	$ 372,784	$ 397,170
Receivables (Net)	61,863	15,058	2,429	25,012	104,362	50,592
Interentity Loans Receivable-	-	237	-	-	237	237
Due from Other Funds	34,510	43	4,619	5,618	44,790	37,513
Due from Other Governments	323	-	-	-	323	52
Inventories	-	-	-	7	7	8
Long-term Loans Receivable	-	1,707	812	-	2,519	1,681
Advances to Investment Pool	4,319	4,853	189,839	102,996	302,007	134,323
Other Advances	-	-	-	-	-	153,899
Investments	220,377	66,985	291,966	661,695	1,241,023	1,049,162
Deferred Gains & Losses	-	-	-	28,031	28,031	-
Land	-	-	49,399	60	49,459	49,434
Buildings and Improvements	-	-	-	342	342	158
Equipment	-	-	-	78	78	79
Accumulated Depreciation	-	-	-	(158)	(158)	(79)
Other Assets	15,772	2,505	-	-	18,277	18,281
Total Assets	**$ 676,902**	**$ 103,289**	**$ 545,802**	**$ 838,088**	**$ 2,164,081**	**$ 1,892,510**
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts Pay. & Accruals	$ 8,057	$ 342	$ -	$ 1,392	$ 9,791	$ 6,872
Due to Other Funds	56,068	14	6,121	88	62,291	57,508
Due to Other Governments	13,231	14,825	-	-	28,056	16,162
Other Payables	561,702	-	-	-	561,702	493,684
Compensated Absence Accrual	-	-	-	67	67	-
Deferred Revenue	-	3,226	2	-	3,228	5,812
Property Held in Trust	43,126	6,753	2,834	-	52,713	44,361
Allowance for Realized Gains (Losses)	(5,282)	-	-	-	(5,282)	-
Total Liabilities	**676,902**	**25,160**	**8,957**	**1,547**	**712,566**	**624,399**
Fund Equity:						
Reserved for:						
Retirement System	-	-	-	836,475	836,475	728,510
Encumbrances	-	6	-	66	72	37
Special Trusts	-	-	536,782	-	536,782	462,177
Unreserved	-	78,123	63	-	78,186	77,387
Total Fund Equity	**-**	**78,129**	**536,845**	**836,541**	**1,451,515**	**1,268,111**
Total Liabilities and Fund Equity	**$ 676,902**	**$ 103,289**	**$ 545,802**	**$ 838,088**	**$ 2,164,081**	**$ 1,892,510**

The notes to the financial statements are an integral part of this statement.

HIGHER EDUCATION FUNDS

The Higher Education Funds are used to account for all transactions relating to the State's public institutions of higher education, including six university units and five vocational-technical centers.

DESCRIPTION OF HIGHER EDUCATION FUNDS
YEAR ENDED JUNE 30, 1984

CURRENT FUNDS

Unrestricted - This fund includes the portion of financial resources that can be expended for general operations and is free of externally imposed restrictions, except those imposed by the Legislature.

Designated - This fund includes financial resources associated with general operations but are separately classified in order to accumulate costs that are to be recharged to other funds. It also identifies educational departments' special activities that are fully supported by supplemental assessments and special supply and facility fees that are covered for collections beyond normal course fees and their disposition.

Auxiliary - This fund includes those financial resources devoted to providing essential on-campus services primarily to students, faculty or staff where a fee relating to the service is charged.

Restricted - This fund includes the portion of financial resources that can be expended for general operations but only for purposes imposed by sources external to the Board of Regents and the Legislature.

FIDUCIARY FUNDS

Student Loan - Accounts for monies which may be loaned to students, faculty or staff for purposes related to education, organized research or public services by the higher education system.

Endowment - Accounts for monies where the principal is nonexpendable but is available for investment. The investment earnings are to be transferred to appropriate operating funds pursuant to prevailing administrative requirements.

Agency - Accounts for monies where the State acts in the capacity of a custodian or fiscal agent for individual students, faculty, staff or qualified organizations.

PLANT FUNDS

Unexpended - Accounts for unexpended resources derived from various sources to finance the acquisition of plant assets and the associated liabilities.

Renewal and Replacement - This fund's resources provide for the renewal and replacement of plant fund assets as distinquished from additions and improvements.

Debt Service - This fund accumulates resources for interest and principal payments and other debt service charges, including contributions to reserves, relating to plant fund indebtedness.

Investment in Plant - This fund includes all fixed assets in the service of the higher education unit as well as all associated liabilities.

STATE OF MONTANA
Combining Balance Sheet
All Higher Education Funds
June 30, 1984
(Expressed in Thousands)

	CURRENT				
ASSETS	UNRESTRICTED	DESIGNATED	AUXILIARY	TOTAL UNRESTRICTED	RESTRICTED
Cash and Cash Equivalents	$ 10,114	$ 2,416	$ 2,628	$ 15,158	$ 1,566
Cash with Fiscal Agent	-	-	-	-	-
Receivables (Net)	422	674	507	1,603	484
Interentity Loans Receivable	2,563	-	82	2,645	-
Due from Other Funds	1,560	1,799	316	3,675	494
Due from Other Governments	-	-	-	-	3,511
Inventories	292	2,071	2,358	4,721	-
Advances to Investment Pool	478	222	5,091	5,791	854
Investments	-	-	-	-	-
Land	-	-	-	-	-
Buildings and Improvements	-	-	-	-	-
Equipment	-	-	-	-	-
Other Fixed Assets	-	-	-	-	-
Construction in Progress	-	-	-	-	-
Intangible Assets	-	-	-	-	-
Other Assets	343	111	32	486	27
Total Assets	**$ 15,772**	**$ 7,293**	**$ 11,014**	**$ 34,079**	**$ 6,936**
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts Payable and Accruals	$ 9,032	$ 1,301	$ 1,381	$ 11,714	$ 1,006
Interentity Loans Payable	-	731	90	821	1,706
Due to Other Funds	3,168	906	1,007	5,081	1,098
Due to Other Governments	-	25	-	25	-
Current Notes and Bonds Payable	-	-	-	-	-
Other Payables	4	-	-	4	-
Compensated Absence Accrual	11,356	-	-	11,356	-
Deferred Revenue	760	29	209	998	1,438
Long-Term Notes and Bonds Payable	-	-	-	-	-
Property Held in Trust	14	23	236	273	-
Total Liabilities	**24,334**	**3,015**	**2,923**	**30,272**	**5,248**
Fund Equity:					
Invest. in Gen. Fixed Assets	-	-	-	-	-
Assets Held for Local Governments	-	-	-	-	-
Fund Balances:					
Reserved For:					
Encumbrances	1,666	80	103	1,849	6
Federal Loans and Special Trusts	-	(6)	42	36	-
Unreserved	(10,228)	4,204	7,946	1,922	1,682
Total Fund Equity	**(8,562)**	**4,278**	**8,091**	**3,807**	**1,688**
Total Liabilities and Fund Equity	**$ 15,772**	**$ 7,293**	**$ 11,014**	**$ 34,079**	**$ 6,936**

The notes to the financial statements are an integral part of this statement.

FIDUCIARY			PLANT				TOTALS	
STUDENT LOANS	ENDOWMENT	AGENCY	UNEXPENDED	RENEWAL AND REPLACEMENT	DEBT SERVICE	INVESTMENT IN PLANT	June 30, 1984	June 30, 1983 (unaudited)
$ 339	$ 167	$ 1,256	$ 4,117	$ 686	$ 8,284	$ -	$ 31,573	$ 33,035
37	-	-	288	323	990	-	1,638	-
13,920	-	256	139	13	162	-	16,577	15,817
6	-	-	14	-	-	-	2,665	5,245
31	12	1,520	190	84	611	-	6,617	8,183
42	-	-	-	-	-	-	3,553	113
-	-	1	-	-	-	-	4,722	4,479
622	1,589	838	2,217	1,471	1,259	-	14,641	11,763
-	-	-	-	-	162	-	162	1,055
-	-	-	-	-	-	8,361	8,361	7,488
-	-	-	-	-	-	197,043	197,043	184,412
-	-	-	-	-	-	73,655	73,655	44,455
-	-	-	-	-	-	26,051	26,051	23,472
-	-	-	-	-	-	12,652	12,652	29,358
-	-	6	376	2	662	58	58	-
$ 14,997	$ 1,768	$ 3,877	$ 7,341	$ 2,579	$ 12,130	$ 317,820	$ 401,527	$ 369,890
$ 6	$ -	$ 920	$ 26	$ 13	$ 357	$ -	$ 14,042	$ 34,072
-	-	88	50	-	-	-	2,665	5,233
4	-	684	184	100	634	8,590	16,375	8,601
-	-	31	-	-	-	-	56	26
-	-	-	-	-	-	78	78	-
-	-	74	112	-	24	-	214	509
-	-	-	-	-	-	-	11,356	-
-	-	-	13	-	-	-	2,449	599
-	-	-	-	-	-	36,898	36,898	30,634
-	-	2,080	-	-	-	-	2,353	344
10	-	3,877	385	113	1,015	45,566	86,486	80,018
-	-	-	-	-	-	271,408	271,408	243,509
-	-	-	-	-	-	846	846	-
-	-	-	41	-	-	-	1,896	-
11,699	1,159	-	-	-	-	-	12,894	14,999
3,288	609	-	6,915	2,466	11,115	-	27,997	31,364
14,987	1,768	-	6,956	2,466	11,115	272,254	315,041	289,872
$ 14,997	$ 1,768	$ 3,877	$ 7,341	$ 2,579	$ 12,130	$ 317,820	$ 401,527	$ 369,890

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Equity
All Higher Education Funds
For the Fiscal Year Ended June 30, 1984
(Expressed in Thousands)

	CURRENT				
	UNRESTRICTED	DESIGNATED	AUXILIARY	TOTAL UNRESTRICTED	RESTRICTED
REVENUES AND OTHER ADDITIONS:					
Tuition and Fees	$ 22,370	$ 3,874	$ 3,789	$ 30,033	$ 157
State Appropriations	-	-	-	-	160
Local Appropriations	848	-	-	848	169
Federal Grants and Contracts	3,663	2	-	3,665	21,215
State Grants and Contracts	59	169	-	228	3,804
Local Grants and Contracts	-	3	-	3	332
Private Gifts, Grants, and Donations	243	103	2	348	4,565
Endowment Income	980	-	154	1,134	13
Sales/Services - Educational Activities	1,587	847	28	2,462	18
Sales/Services - Designated/Aux. Enterprises	-	1,206	28,812	30,018	1
Interest Earnings	91	6	780	877	239
Indirect Costs Recovered	1,414	273	-	1,687	18
Recharged Service Collections	36	4,904	-	4,940	57
Acquisition of Fixed Assets	-	-	-	-	-
Retirement of Indebtedness	-	-	-	-	-
Other	268	951	717	1,936	89
Total Revenues and Other Additions	**31,559**	**12,338**	**34,282**	**78,179**	**30,837**
EXPENDITURES AND OTHER DEDUCTIONS:					
Instruction	65,062	1,658	116	66,836	3,930
Research	10,249	37	-	10,286	9,838
Public Service	3,533	460	-	3,993	1,882
Academic Support	12,955	66	-	13,021	591
Student Services	10,836	2,698	-	13,534	2,092
Institutional Support	14,155	7,029	-	21,184	740
Loan Cancellations/Write-Offs	-	-	-	-	-
Administrative and Collection Costs	9	-	-	9	22
Operation and Maintenance of Plant	14,869	29	-	14,898	37
Scholarships and Fellowships	2,261	-	-	2,261	11,416
Plant Fund	-	-	-	-	-
Auxiliary Enterprises	-	-	28,725	28,725	-
Debt Services	10	-	8	18	-
Capital Outlay	355	67	86	508	1
Disposal of Fixed Assets	-	-	-	-	-
Debt Incurred	-	-	-	-	-
Other	245	-	-	245	22
Total Expenditures and Other Deductions	**134,539**	**12,044**	**28,935**	**175,518**	**30,571**
PRIOR YEAR ADJUSTMENTS	(269)	55	(382)	(596)	(385)
TRANSFERS AND OTHER ADDITIONS (DEDUCTIONS):					
Mandatory Transfers	-	(4)	(1,937)	(1,941)	-
Nonmandatory Transfers	38	(344)	(3,322)	(3,628)	179
Transfers from State General Fund	86,684	-	-	86,684	-
Millage Transfers	13,898	-	-	13,898	-
Other Net Transfers	1,851	-	(90)	1,761	(15)
Total Transfers	102,471	(348)	(5,349)	96,774	164
Excess of Restricted Receipts Over Transfers to Revenue	-	253	-	253	-
Retirement of Debt	-	-	-	-	-
Bond Proceeds	-	-	-	-	-
Total Transfers and Other Additions (Deductions)	102,471	(95)	(5,349)	97,027	164
PRIOR YEAR TRANSFER ADJUSTMENTS	(445)	-	(4)	(449)	(1)
Net Increase (Decrease) in Fund Equity	**(1,223)**	**254**	**(388)**	**(1,357)**	**44**
FUND EQUITY - July 1 - As Previously Stated	1,362	3,855	7,935	13,152	(890)
PRIOR PERIOD ADJUSTMENTS (See Note 3)	(8,692)	283	493	(7,916)	2,542
FUND EQUITY - July 1 - As Restated	(7,330)	4,138	8,428	5,236	1,652
RESIDUAL EQUITY TRANSFERS	(9)	(114)	51	(72)	(8)
FUND EQUITY - June 30	**$ (8,562)**	**$ 4,278**	**$ 8,091**	**$ 3,807**	**$ 1,688**

The notes to the financial statements are an integral part of this statement.

FIDUCIARY		PLANT				
STUDENT LOANS	ENDOWMENTS	UNEXPENDED	RENEWAL AND REPLACEMENT	DEBT SERVICE	INVESTMENT IN PLANT	TOTAL
$ -	$ -	$ 1,293	$ 402	$ 1,635	$ -	$ 33,520
-	-	-	-	-	-	160
-	-	-	-	-	-	1,017
536	-	40	-	23	-	25,479
-	-	-	-	-	-	4,032
-	-	10	-	-	-	345
60	85	691	-	-	-	5,749
-	-	815	-	491	-	2,453
-	-	-	-	-	-	2,480
5	-	2	27	-	-	30,053
300	9	133	164	1,525	-	3,247
-	-	-	-	-	-	1,705
-	-	-	-	-	-	4,997
-	-	-	-	-	39,624	39,624
-	-	-	-	-	18,824	18,824
34	-	531	96	138	-	2,824
935	94	3,515	689	3,812	58,448	176,509
-	-	61	-	-	-	70,827
-	-	-	-	-	-	20,124
-	-	-	-	-	-	5,875
586	-	-	-	-	-	13,612
-	-	-	-	-	-	16,212
174	-	-	-	-	-	21,924
103	-	-	-	-	-	174
-	-	-	-	-	-	134
-	2	-	-	-	-	14,935
-	-	1,355	1,023	18	-	13,679
-	-	-	-	-	-	2,396
-	-	-	2	18,856	-	28,725
-	-	2,184	318	105	-	18,876
-	-	-	-	-	5,681	3,116
-	-	-	-	-	13,041	5,681
-	-	-	-	4	-	13,041
863	2	3,600	1,343	18,983	18,722	271
						249,602
1	-	(658)	(9)	1,240	-	(407)
-	-	(209)	97	1,216	-	(837)
(8)	1	603	1,079	1,985	-	211
-	-	-	-	-	-	86,684
-	-	-	-	-	-	13,898
-	-	(15)	373	(465)	-	1,639
(8)	1	379	1,549	2,736	-	101,595
-	-	-	-	-	-	253
-	-	-	-	4,168	-	4,168
-	-	4,200	-	8,545	-	12,745
(8)	1	4,579	1,549	15,449	-	118,761
-	-	-	-	-	-	(450)
65	93	3,836	886	1,518	39,726	44,811
14,913	4,653	3,059	1,511	9,965	243,509	289,872
1	(3,482)	61	4	(366)	(10,981)	(20,137)
14,914	1,171	3,120	1,515	9,599	232,528	269,735
8	504	-	65	(2)	-	495
$ 14,987	$ 1,768	$ 6,956	$ 2,466	$ 11,115	$ 272,254	$ 315,041

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STATISTICAL AND ECONOMIC DATA

Financial presentations included in this section provide detailed data on the economic and social characteristics, the financial trends, and the fiscal capacity of the State.

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STATE OF MONTANA
EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES

Last Two Fiscal Years (1)
(Expressed in Thousands)

	1983	1984
General Government	$ 73,748	$ 50,420
Public Safety & Corrections	46,576	50,646
Transportation	161,891	213,698
Health and Social Services	248,355	270,033
Education and Cultural	203,919	213,977
Resource Development & Recreation	43,588	45,698
Economic Development & Assistance	34,367	76,198
Debt Service—Principal	3,734	486
Debt Service--Interest & Fiscal Charges	7,244	12,758
Capital Outlay	25,701	30,159
Total	$ 849,123	$ 964,073

NOTE: (1) Comparable expenditures by function are not available for fiscal years prior to 1983.

STATE OF MONTANA
REVENUES BY SOURCE
ALL GOVERNMENTAL FUND TYPES

Last Two Fiscal Years (1)
(Expressed in Thousands)

	1983	1984
Licenses & Permits	$ 53,400	$ 51,156
Taxes	401,895	478,975
Service Fees and Fines	10,296	27,899
Investment Earnings	86,051	105,624
Reimbursements	19,083	11,826
Sale of Documents, Mdse, & Property	5,953	2,298
Rentals, Leases, and Royalties	1,139	1,350
Fiduciary & Trust	42	271
Miscellaneous	1,707	2,902
Grants, Gifts, Bequests & Donations	7,238	1,924
Federal	281,502	336,201
TOTAL	$ 868,306	$ 1,020,426

NOTE: (1) Comparable revenues by source are not available for fiscal years prior to 1983.

STATE OF MONTANA
PROPERTY TAX LEVIES AND COLLECTIONS (1)
Last Ten Fiscal Years

Fiscal Year(1)	Total Tax Levy (a)	Total Tax Collections (b)	Percent of Total Tax Collections To Tax Levy
1975	$ 11,185,334	$ 8,855,979	79.2%
1976	13,092,625	13,391,366	102.3
1977	12,327,244	12,123,165	98.3
1978	12,126,043	11,990,844	98.9
1979	15,356,304	20,626,302	134.3
1980	13,984,398	17,330,797	123.9
1981	13,587,224	19,034,238	140.1
1982	13,714,149	13,900,840	101.4
1983	15,083,777	14,212,714	94.2
1984	14,987,221	17,151,261	114.4

NOTE: (1) Property taxes are levied in one fiscal year and collected in subsequent fiscal years (e.g., the fiscal year column relates to the column "Total Tax Collections" only).

SOURCES: (a) Montana Department of Revenue Reports to the Legislature
(b) 1975 Montana Annual Financial Report
1976-1984 Montana Statewide Budgeting and Accounting System

STATE OF MONTANA
TAXABLE AND MARKET (ASSESSED) VALUE OF PROPERTY (1)
Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property		Total		Ratio of Total Taxable to Total Market (Assessed) Value
	Taxable Value	Assessed Value	Taxable Value	Assessed Value	Taxable Value	Assessed Value	
1974	$ 799,186,793	$ 2,371,954,516	$ 399,323,278	$ 1,629,031,483	$ 1,198,510,071	$ 4,000,985,999	30.0%
1975	935,364,020	2,607,915,087	415,410,310	1,766,135,098	1,350,774,330	4,374,050,185	30.9
1976	984,458,402	2,780,687,940	407,476,726	1,997,717,222	1,391,935,128	4,778,405,162	29.1
1977	1,047,428,191	3,010,476,482	419,315,563	2,095,349,040	1,466,743,754	5,105,825,522	28.7
1978	1,132,364,837	8,713,629,607	435,920,600	4,390,090,783	1,568,285,437	13,103,720,390	12.0
1979	1,153,517,808	9,006,273,892	468,434,162	4,735,543,081	1,621,951,970	13,741,816,973	11.8
1980	1,335,993,781	9,672,953,322	509,015,156	5,455,105,902	1,845,008,937	15,128,059,224	12.2
1981	1,514,912,529	10,169,188,669	505,718,211	5,702,783,093	2,020,630,740	15,871,971,762	12.7
1982	1,820,293,278	11,179,906,293	384,198,866	4,772,573,915	2,204,492,144	15,952,480,208	13.8
1983	1,881,309,909	11,901,287,385	352,064,742	3,895,305,184	2,233,374,651	15,796,592,569	14.1

NOTE: (1) —Taxable property in Montana must be assessed at 100% of its market value except mining property and agricultural lands. Mining property is assessed based on net and gross proceeds from mineral production. The assessment on agricultural land is based on productive capacity.

—Taxable value is that against which the mill levy is applied. These values are arrived at by the appropriate ratios found in Montana's Classification Act to the assessed values (e.g., the taxable value of residential property is 30% of its assessed value).

—Assessed value was changed from varying percentages of market value to full market value in 1978.

SOURCE: Montana Department of Revenue Reports to the Legislature

STATE OF MONTANA
PROPERTY TAX RATES—ALL OVERLAPPING GOVERNMENTS
(PER $100 OF TAXABLE VALUE)
Last Ten Fiscal Years

	State of Montana Special Revenue Funds	Schools	Counties	Cities	Miscellaneous	Total
1974	$ .93	$ 10.71	$ 4.26	$ 2.74	$ .74	$ 19.38
1975	.97	11.03	4.38	2.72	.65	19.75
1976	.89	11.30	4.49	2.73	.74	20.15
1977	.83	11.71	4.52	2.59	.93	20.58
1978	.98	11.95	4.48	2.76	1.00	21.17
1979	.86	13.03	4.71	2.89	1.15	22.64
1980	.74	13.29	4.67	2.86	1.12	22.68
1981	.68	13.35	4.79	2.83	1.22	22.87
1982	.68	12.76	4.78	1.80	2.04	22.06
1983	.67	12.90	4.96	2.71	1.37	22.61

SOURCE: Montana Department of Revenue Reports to the Legislature

STATE OF MONTANA
PROPERTY TAX MILL LEVY FOR STATE PURPOSES

This portion of the property tax levy was developed to provide a nondiscriminatory method of financing public education in Montana. The State has statutory authority to levy up to six mills for the support of the State's higher education system. Until 1981, additional levies for equalization of school funding were levied from time to time to cover deficiencies in the school equalization account. The General Fund is now charged with making up any deficiencies in the equalization system. In addition the legislature is directed by law to levy at each legislative session a tax of up to 2 mills on all taxable property in the State to provide a sufficient amount for each payment of any deficiencies in the General Fund if any have occurred in the previous fiscal year or years.

Levy Year	Higher Education System	Primary and Secondary Schools	Total Mill Levy
1975	6.00	-	6.00
1976	5.60	3.90	9.50
1977	6.00	1.60	7.60
1978	5.94	1.05	6.99
1979	6.00	3.20	9.20
1980	6.00	1.00	7.00
1981	5.65	-	5.65
1982	6.00	-	6.00
1983	5.86	-	5.86
1984	6.00	-	6.00

Each mill represents one dollar of tax levied on each thousand dollars worth of taxable property. The amount of property taxes needed for the year (net levy) is divided by the percentage determined collectible. This gross levy is then divided by the assessed valuation to arrive at the mill levy. For example, 1984's 6.0 mills would levy a tax of $36.00 on property with a taxable value of $6,000.

SOURCE: Montana Department of Revenue, Research and Information Division

STATE OF MONTANA
RATIO OF DIRECT STATE DEBT TO ASSESSED VALUE AND DIRECT STATE DEBT PER CAPITA
Last Ten Fiscal Years

	(Expressed in Thousands)				
	Population (a)	Assessed Value (1)(b)	Direct State Debt (2)(c)	Direct State Debt Per Assessed Value	Direct State Debt Per Capita
1975	747	$ 4,374,050	$ 26,892	.61%	$ 36.00
1976	756	4,778,405	32,594	.68	43.11
1977	768	5,105,826	29,932	.58	38.97
1978	780	13,103,730	26,883	.20	34.47
1979	786	13,741,817	26,138	.19	33.25
1980	787	15,128,059	43,595	.29	55.39
1981	795	15,871,972	41,382	.26	52.05
1982	805	15,952,480	74,222	.46	92.20
1983	817	15,796,593	134,394	.85	164.50
1984	N/A	N/A	210,940	1.34*	258.19*

N/A — Information not available.

* Calculated using 1983 information.

NOTE:
(1) Assessed value was changed from varying percentages of market value to full market value in 1978.
(2) Includes General Obligation and Revenue Bonds. Dose not include Board of Housing Revenue Bonds.

SOURCES:
(a) U.S. Department of Commerce, Bureau of the Census
(b) Montana Department of Revenue Reports to the Legislature
(c) Montana Annual Financial Reports

STATE OF MONTANA
RATIO OF ANNUAL DEBT SERVICE TO TOTAL GENERAL EXPENDITURES
Last Ten Fiscal Years

	Total Debt Service (1)	Total General Expenditures (2)	Ratio
1975	$ 7,289,065	$ 396,320,325	1.84%
1976	8,156,774	487,252,559	1.67
1977	3,966,830	565,176,602	.70
1978	4,738,585	591,207,582	.80
1979	3,675,554	625,670,251	.59
1980	6,228,778	686,685,903	.91
1981	6,322,656	730,401,467	.87
1982	12,576,040	813,767,410	1.55
1983	10,978,000	849,123,000	1.29
1984	13,244,000	964,073,000	1.37

NOTE: (1) Total debt service expenditures of the General, Special Revenue, Debt Service and Capital Projects Funds.

(2) 1975-1982—Total disbursements of the General, Earmarked Revenue, Sinking, and Federal and Private Revenue Funds.
1983-1984 Total expenditures of the General, Special Revenue, Debt Service, and Capital Projects Funds.

SOURCE: Montana Financial Reports 1975-1984.

STATE OF MONTANA
REVENUE BOND COVERAGE
DISCRETE ENTITIES (1)
Last Four Fiscal Years (2)

Fiscal Year	Gross Revenues	Operating Expenses	Net revenue available for debt service (3)	Debt Service Requirements	
				Total	Coverage
1980	$ 36,208,300	$ 14,321,328	$ 22,548,738	$14,492,496	1.56
1981	42,516,467	15,998,812	27,204,950	21,113,412	1.29
1982	47,510,677	19,082,978	29,112,007	23,544,310	1.24
1983	55,486,672	21,199,496	35,012,111	32,094,130	1.09

NOTE: (1) Discrete entities include the Montana Board of Housing, universities and colleges. Information to calculate the coverage for the Montana College of Mineral Science and Technology was not available since no yearly audit is required for their revenue bonds exclusive of the college as a whole.

(2) Comprehensive information was unavailable prior to fiscal year 1980.

(3) Net revenues are defined by the bond resolution for the University of Montana's Building Fees Resolution. No gross revenue or operating expense figures are available for this resolution, therefore, the difference between gross and operating revenues does not equal the net revenue available for debt service each year reported above. This difference is equal to the amount of net revenues defined by the Building Fees Resolution. Total debt service requirements and coverage are not affected.

SOURCE: Annual audit reports for each discrete entity.

STATE OF MONTANA
ANALYSIS OF OUTSTANDING DEBT BY RANGE OF INTEREST RATE
June 30, 1984

Range of Interest Rate (1)	Outstanding Debt	% of Total Outstanding Debt
2.01 to 3.00	$ 5,410,000	2.20%
3.01 to 4.00	9,442,000	3.82
4.01 to 5.00	6,399,500	2.59
5.01 to 6.00	17,308,000	7.01
6.01 to 7.00	67,475,000	27.33
7.01 to 8.00	48,824,030	19.78
8.01 to 9.00	61,551,118	24.93
9.01 to 10.00	28,385,000	11.50
10.01 to 11.00	2,060,000	.84
Total State Debt	$ 246,854,648	100.00%

NOTE: (1) Face value coupon rates.
(2) Does not include Board of Housing debt.

SOURCE: Summary of State Bonded Debt 1984.

STATE OF MONTANA
DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years

	Population (1)(a)	Per Capita Income (1)(b)	Public School Enrollment Pre-K-12 (2)(c)	Montana University System Enrollment (2)(c)	Average Montana Unemploy. Rate (1)(d)	Average U.S. Unemploy. Rate (1)(d)	Average Civilian Labor Force (1)(d)	Average Total Employment (1)(d)	Average Unemployment (1)(d)
1975	747,000	$ 5,419	172,158	22,729	6.4%	8.5%	322,575	301,961	20,614
1976	756,000	5,763	171,787	23,621	6.1	7.7	334,000	314,000	20,000
1977	768,000	6,161	170,547	23,329	6.4	7.1	347,000	325,000	22,000
1978	780,000	7,076	168,730	23,649	6.0	6.1	370,000	348,000	22,000
1979	786,000	7,633	164,326	23,264	5.1	5.8	371,000	352,000	19,000
1980	787,000	8,361	158,208	23,966	6.1	7.1	370,000	347,000	23,000
1981	795,000	9,252	155,073	25,536	6.9	7.6	384,000	357,000	27,000
1982	805,000	9,617	153,435	26,383	8.6	9.7	392,000	358,000	34,000
1983	817,000	9,949	152,401	27,213	8.8	9.6	394,000	359,000	35,000
1984	N/A	N/A	153,646	27,475	9.0	8.1	401,000	365,000	36,000

N/A — Information not available

NOTE:
(1) Based on calendar year
(2) Based on academic year—includes public schools (pre-K-12) and universities and colleges

SOURCES:
(a) U.S. Department of Commerce, Bureau of the Census
(b) U.S. Department of Commerce, Bureau of Economic Analysis
(c) —Montana Office of Public Instruction—public schools
—Montana Commissioner of Higher Education—universities and colleges
(d) Montana Department of Labor and Industry, Research Bureau

STATE OF MONTANA
PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS (1)
Last Ten Fiscal Years
(Expressed in thousands, except for number of permits)

Fiscal Year	Residential Construction (a) Number of permits issued	Residential Construction (a) Valuation*	Commercial Construction (b) Number of permits issued	Commercial Construction (b) Cost of construction	Bank Deposits (c)
1974	2,566	$ 48,792	N/A	$ N/A	$ 2,912,260
1975	3,066	67,151	N/A	N/A	3,258,283
1976	4,750	101,035	N/A	N/A	3,652,050
1977	5,627	130,579	N/A	N/A	4,128,856
1978	4,817	128,945	N/A	N/A	4,660,165
1979	3,121	90,077	N/A	N/A	5,059,264
1980	2,374	71,361	N/A	N/A	5,424,146
1981	1,954	68,085	324	32,383	5,943,223
1982	2,052	70,729	279	26,497	6,255,340
1983	3,057	131,167	269	30,636	6,802,051

Fiscal Year	Property (Assessed) Values (d) Agriculture	Commercial/ Industrial	Personal/ Real	Utilities	Other**	Total
1974	$ 567,343	$ 130,637	$ 2,678,758	$ 335,711	$ 288,537	$ 4,000,986
1975	581,513	121,428	2,911,479	307,499	452,131	4,374,050
1976	585,335	131,653	3,184,071	318,877	558,469	4,778,405
1977	597,059	133,599	3,371,518	340,083	663,566	5,105,825
1978	1,040,153	746,105	9,259,972	930,450	1,127,040	13,103,720
1979	1,069,825	758,507	9,789,906	957,929	1,165,649	13,741,816
1980	1,106,475	864,620	10,710,413	1,582,788	863,763	15,128,059
1981	1,148,842	1,019,930	11,076,029	1,794,413	832,758	15,871,972
1982	1,170,436	1,513,659	9,556,177	2,663,227	1,048,981	15,952,480
1983	1,234,102	751,998	9,611,935	3,088,980	1,109,577	15,796,592

N/A — Information not available

* 1980-1983: Information on publicly owned (contract awards) housing units was not available.
** Other property includes mining, coal, and miscellaneous.

NOTE: (1) — Nontaxable property value information is not available.
— Assessed value was changed from varying percentages of market value to market value in 1978.
— Bank deposits are the aggregate of State Banks and Trust Companies, National Banks, Savings and Loans, and Credit Unions. Credit Union balances are as of the previous December 31, all others are as of June 30.

SOURCES: (a) — U.S. Department of Commerce, Bureau of the Census
(b) — Montana Department of Administration—Building Codes Division
(c) — Montana Department of Commerce—State Banks and Trust Companies, and National Banks
— Federal Home Loan Bank of Seattle—Savings and Loans
— Montana Credit Unions League—Credit Unions
(d) — Montana Department of Revenue Reports to the Legislature

STATE OF MONTANA
INCOME DATA

Total Personal Income
(Millions)

	Montana		Rocky Mountain Region (1)		United States	
	Amount	% Increase	Amount	% Increase	Amount	% Increase
1974	$ 3670		$ 28,817		$ 1,147,257	
1975	4,019	9.5	31,714	10.0	1,248,631	8.8
1976	4,216	4.9	35,062	10.6	1,374,189	10.0
1977	4,585	8.7	39,353	12.2	1,522,766	10.8
1978	5,425	18.3	45,606	15.9	1,709,616	12.3
1979	6,040	11.3	52,429	14.9	1,930,782	12.9
1980	6,822	12.9	59,991	14.4	2,160,629	11.9
1981	7,357	7.8	68,595	14.3	2,426,901	12.3
1982	7,673	4.3	73,837	7.6	2,571,592	6.0
1983	8,124	5.9	78,340	6.1	2,734,122	6.3
Average Annual Rate of Growth		9.3%		11.8%		10.1%

Per Capita Income

	Montana		Rocky Mountain Region (1)		United States	
	Amount	% Increase	Amount	% Increase	Amount	% Increase
1974	$ 4,976		$ 5,153		$ 5,428	
1975	5,381	8.1	5,580	8.3	5,861	8.0
1976	5,583	3.7	6,066	8.6	6,401	9.2
1977	5,988	7.2	6,645	9.5	7,038	10.0
1978	6,915	15.5	7,521	13.2	7,840	11.4
1979	7,684	11.1	8,357	11.2	8,773	11.9
1980	8,652	12.6	9,135	9.3	9,511	8.4
1981	9,252	6.9	10,184	11.5	10,582	11.3
1982	9,580	3.5	10,754	5.6	11,107	5.0
1983	9,949	3.9	11,069	2.9	11,685	5.2

NOTE: (1) The Rocky Mountain Region includes Montana, Colorado, Idaho, Utah and Wyoming.

SOURCE: United States Department of Commerce, Bureau of Economic Analysis

STATE OF MONTANA
PUBLIC EDUCATION INSTITUTIONS
FALL ENROLLMENT (1)

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
TOTAL GRADES PRE-K-12 (a)	172,158	171,787	170,547	168,730	164,326	158,208	155,073	153,435	152,401	153,646
MONTANA UNIVERSITY SYSTEM (b):										
University of Montana	8,575	8,496	8,057	7,979*	7,868	8,010	8,283	8,226	8,458	8,431
Montana State University	8,585	8,965	9,320	9,613	9,555	9,811	10,338	10,675	10,691	10,789
Montana Tech **	714	894	991	1,058	1,139	1,247	1,531	1,791	2,048	2,090
Western Montana College	742	735	597*	582	643	699	825	820**	859**	882**
Eastern Montana College	3,042	3,306	3,124	3,105	2,910	2,964	3,177	3,329	3,494	3,538
Northern Montana College	1,065	1,225	1,240	1,312	1,149	1,235	1,382	1,542	1,663	1,745
TOTAL UNIVERSITIES	22,723	23,621	23,329	23,649	23,264	23,966	25,536	26,383	27,213	27,475
VOCATIONAL TECHNICAL CENTERS (a)										
Billings Vo-Tech Center	N/A	N/A	N/A	N/A	546	458	521	565	490	400
Butte Vo-Tech Center	N/A	N/A	N/A	N/A	450	350	412	414	418	294
Great Falls Vo-Tech Center	N/A	N/A	N/A	N/A	387	431	530	547	540	423
Helena Vo-Tech Center	N/A	N/A	N/A	N/A	815	868	949	929	961	700
Missoula Vo-Tech Center	N/A	N/A	N/A	N/A	554	667	715	705	759	471
TOTAL VO-TECH CENTERS	N/A	N/A	N/A	N/A	2,752	2,774	3,127	3,160	3,168	2,288

* Data revised after enrollment audits

** Semester Calendar

N/A — Vocational Technical Centers' enrollment information was not available until 1979

NOTE: (1) The University System is based on fiscal year full-time equivalent enrollment. This is the basis upon which budgets for the Montana University System are established. Calculation: total undergraduate student credit hours generated during the fiscal year divided by 45 (quarter basis) or 30 (semester basis) plus total graduate student credit hours generated during the fiscal year divided by 36 (quarter basis) or 24 (semester basis).

SOURCES: (a) Montana Office of Public Instruction
(b) Montana Commissioner of Higher Education

MAJOR PRIVATE EMPLOYERS IN MONTANA — 1983*

(Listed in descending number of employees)

1. Burlington Northern, Inc. (railroad transportation & wood products)
2. Montana Power Company (coal mining, electric & gas services)
3. Champion International (wood & paper products)
4. Mountain Bell
5. Buttrey's (retail groceries)
6. K-Mart
7. St. Vincent's Hospital (Billings)
8. Montana Deaconess Hospital (Great Falls)
9. Arco Metals, Inc. (aluminum processing)
10. Billings Deaconess Hospital
11. Four B's Restaurants
12. Columbus Hospital (Great Falls)
13. St. James Hospital (Butte)
14. Safeway Stores, Inc. (retail groceries)
15. St. Patrick's Hospital (Missoula)
16. J. C. Penney & Company
17. St. Regis Paper Company (wood products)
18. Asarco, Inc. (metal mining & processing)
19. Community Hospital (Missoula)
20. Lee Enterprises, Inc. (newspaper publishing)

SOURCE: Department of Commerce, Census & Economic Information Center

* The two largest Montana employers are public, the U.S. Government and Montana State Government

STATE OF MONTANA
(The Treasure State)
MISCELLANEOUS STATISTICS
June 30, 1984

(1)	Date of statehood	1889 — 41st state
(1)	Form of government	Legislative-Executive-Judicial
(1)	Land area — 4th largest state	145,392 square miles
	Population Density (Based on 1983 population)	5.62 persons per square mile
(1)	Miles of paved public roads	14,400
(2)	Higher Education (Universities and Colleges): Number of campuses in the state	6
	Fiscal year 1984 full-time equivalent enrollment	27,475
(1)	Recreation:	
	Number of state parks	10
	Number of state monuments	18
	National parks (Glacier and Yellowstone)	2
(3)	State Employee (full-time equivalent)	14,077.38

SOURCES: (1) Official Montana 1983-84 Highway Map
(2) Montana Commissioner of Higher Education
(3) State of Montana Office of Budget and Program Planning

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